

IN THE MATTER OF THE: )  
 )  
REGULAR BUSINESS MEETING )

PLACE:	BOARD HEARING ROOM 8800 CAL CENTER DRIVE SACRAMENTO, CALIFORNIA
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BRS FILE NO.: 44046



**714.444.4100 ♦ FAX 714.444.4411 ♦ 1.800.622.6092**

APPEARANCES

MR. DANIEL G. PENNINGTON, CHAIRMAN  
MR. ROBERT C. FRAZEE, VICE CHAIRMAN  
MR. WESLEY CHESBRO, MEMBER  
MS. JANET GOTCH, MEMBER  
MR. STEVEN R. JONES, MEMBER

STAFF PRESENT

MR. RALPH CHANDLER, CHIEF EXECUTIVE OFFICER  
MR. KEITH SMITH, DEPUTY EXECUTIVE DIRECTOR  
MS. KATHRYN TOBIAS, CHIEF LEGAL COUNSEL  
MS. MARLENE KELLY, BOARD SECRETARY  
MS. PATTI BERTRAM, ADMINISTRATIVE ASSISTANT



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1 SACRAMENTO, CALIFORNIA; WEDNESDAY, FEBRUARY 11, 1998

2 1:30 P.M.

3

4 CHAIRMAN PENNINGTON: GOOD AFTERNOON AND  
5 WELCOME TO THE SPECIAL FEBRUARY MEETING OF THE  
6 CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD. WOULD  
7 THE SECRETARY PLEASE CALL THE ROLL.

8 THE SECRETARY: BOARD MEMBER CHESBRO. FRAZEE.

9 BOARD MEMBER FRAZEE: HERE.

10 THE SECRETARY: GOTCH.

11 BOARD MEMBER GOTCH: HERE.

12 THE SECRETARY: JONES.

13 BOARD MEMBER JONES: HERE.

14 THE SECRETARY: CHAIRMAN PENNINGTON.

15 CHAIRMAN PENNINGTON: HERE. WE HAVE A QUORUM  
16 PRESENT.

17 DO ANY MEMBERS HAVE ANY EX PARTES. MR.

18 JONES.

19 BOARD MEMBER JONES: YEAH, MR. CHAIRMAN, FOUR  
20 OF THEM: MR. LARRY SWEETSER, WE TALKED ABOUT THE REUSE  
21 WORKSHOP TODAY, DEFINITIONS AND THE LANDFILL OPERATOR  
22 CERTIFICATION; MR. MIKE HARRINGTON FROM BAS ON THE  
23 PERMIT PROCESS, AND HE WAS TELLING ME HOW GOOD A JOB  
24 STAFF DID ON THE PROCESS; MY OBLIGATORY TALK WITH JOHN  
25 CUPPS; AND GEORGE LARSON ON THE TIRE ISSUE AND THE



1 CAPACITY ISSUE.

2 CHAIRMAN PENNINGTON: OKAY. THANK YOU. MR.

3 FRAZEE.

4 BOARD MEMBER FRAZEE: YES MR. CHAIRMAN. I

5 SPOKE BRIEFLY WITH CHUCK WHITE ON THE AMERICA RECYCLES

6 DAY CONTRIBUTION.

7 CHAIRMAN PENNINGTON: OKAY.

8 BOARD MEMBER GOTCH: ALL CAUGHT UP.

9 CHAIRMAN PENNINGTON: THANK YOU, MS. GOTCH.

10 TOO SPOKE TO MR. WHITE ABOUT AMERICA RECYCLES DAY, AND

11 I HAD A GREAT TUSSLE WITH A CHAIR HERE.

12 OKAY. WE'LL MOVE TO ITEM NO. 1,

13 CONSIDERATION OF APPROVAL OF A CONTRACT CONCEPT AND

14 AWARD TO THOMAS DEVELOPMENT PARTNERS AND/OR TURNER

15 CONSTRUCTION COMPANY FOR DEVELOPMENT OF SUSTAINABLE

16 DESIGN FEATURES AND PRACTICES FOR PROPOSED CAL-EPA

17 BUILDING. MR. CHANDLER. OH, YOU MOVED ON ME THERE.

18 MR. CHANDLER: I THOUGHT I'D COME DOWN TO

19 TABLE, AND CAREN AND I WILL PRESENT THIS ITEM TOGETHER.

20 AND I WANT TO FIRST ACKNOWLEDGE AND THANK THE BOARD - -

21 CHAIRMAN PENNINGTON: EXCUSE ME. LET THE

22 RECORD SHOW MR. CHESBRO IS HERE.

23 MR. CHANDLER: THANK YOU. I JUST WANT TO

24 THANK THE BOARD FOR ACCOMMODATING MY REQUEST THAT WE

25 HAVE A SPECIAL BOARD MEETING TODAY TO TAKE ON A NUMBER



1 OF ITEMS. THE FIRST AND FOREMOST, WHEN I ASKED FOR  
2 THIS SPECIAL MEETING, WAS THE FIRST ITEM ON THE AGENDA,  
3 AND THAT IS TO TAKE UP THE ENTERTAINMENT AND DISCUSSION  
4 AROUND A PROPOSED CONTRACT CONCEPT FOR THE EFFORTS THAT  
5 WE HAVE BEEN ASKED TO ASSIST IN BY CAL-EPA, AND THAT  
6 THE EFFORTS THAT SPEAK DIRECTLY TO SECURING A  
7 NATIONALLY RECOGNIZED CONSULTANT THAT WOULD BE SUITABLE  
8 TO BRING A SUSTAINABLE BUILDING DESIGN REVIEW AND WHAT  
9 WE CALL GREEN BUILDING COMPONENTS INTO THE NEW CAL-EPA  
10 BUILDING.  
11 I THINK YOU WILL FIND THAT THE AGENDA  
12 ITEM SPEAKS FOR ITSELF WITH RESPECT TO THE HISTORY OF  
13 THIS EFFORT.  
14 AS YOU KNOW, CAREN TRGOVCICH OF OUR  
15 MARKET DEVELOPMENT DIVISION HAS BEEN INSTRUMENTAL IN  
16 PUTTING FORWARD LETTERS TO THE AGENCY FOR THE PAST  
17 SEVERAL MONTHS OUTLINING THE OPPORTUNITIES THAT WE FEEL  
18 EXIST AT THE CAL-EPA BUILDING FOR, IF YOU WILL, GREEN  
19 AND SUSTAINABLE BUILDING DESIGN COMPONENTS TO BE  
20 BROUGHT FORWARD AND ANALYZED. I THINK YOU ALSO NOTE,  
21 IF YOU'VE BEEN FOLLOWING THIS PROJECT, THIS PROJECT IS  
22 WELL UNDER WAY. THE CORE BUILDING HAS BEEN DESIGNED,  
23 MUCH OF THE MECHANICAL AND ELECTRICAL HAS ALREADY BEEN  
24 SPECIFIED, AND IN MANY RESPECTS OUR OPPORTUNITIES ARE  
25 DIMINISHING DAILY AS WE LOOK FOR A POSSIBLE CHANCE FOR



1 THE GREEN BUILDING CONSULTANT TO COME ON BOARD AND  
2 ACTUALLY BRING SOME CONCEPTS TO FRUITION.  
3 SO WHAT YOU HAVE IS ESSENTIALLY A  
4 CONTRACT CONCEPT THAT WOULD ALLOW THIS BOARD TO ENTER  
5 INTO A DIRECT CONTRACTUAL RELATIONSHIP WITH EITHER THE  
6 BUILDING'S BUILDER, THAT IS, TURNER CONSTRUCTION, OR  
7 THE BUILDING DEVELOPER, THOMAS PARTNERS. AND THAT'S  
8 STILL BEING REVIEWED, ALTHOUGH I'M TOLD AS OF LATE THAT  
9 IT WILL MOST LIKELY BE WITH THE BUILDER, TURNER  
10 CONSTRUCTION. AND THAT THE FUNDS ESSENTIALLY WOULD BE  
11 TO, AS I SAID, HIRE A RECOGNIZED CONSULTANT IN THE  
12 FIELD OF SUSTAINABLE DESIGN AND CONSTRUCTION.  
13 CONSULTANT WOULD DEVELOP RECOMMENDATIONS FOR  
14 INCORPORATING SUSTAINABLE DESIGN FEATURES AND PRACTICES  
15 FOR THE PROPOSED CAL-EPA BUILDING.  
16 TURNER DEVELOPMENT PARTNERS -- EXCUSE  
17 ME -- TURNER DEVELOPMENT PARTNERS HAS DESIGNATED THE  
18 DEVELOPER FOR CAL-EPA BUILDING -- THOMAS DEVELOPMENT  
19 PARTNERS -- EXCUSE ME -- AND IS UNDER CONTRACT WITH THE  
20 CITY OF SACRAMENTO. TURNER CONSTRUCTION IS DESIGNATED  
21 AS THE GENERAL CONTRACTOR FOR THE PROJECT.  
22 I THINK I COULD SPEND A LOT OF TIME GOING  
23 THROUGH SOME BACKGROUND, AND CAREN AS WELL IS PREPARED  
24 TO SPEAK TO THE SCOPE OF WORK THAT YOU HAVE ATTACHED TO  
25 THE AGENDA ITEM. I THINK, AS OPPOSED TO THAT, I WOULD



1 RATHER JUST START TO OPEN UP THE DIALOGUE AND  
2 DISCUSSION WITH THE BOARD.  
3 I HAVE TODAY MR. GENE SPINDLER, WHO IS  
4 THE DEPUTY DIRECTOR OVER THE REAL ESTATE DIVISION AT  
5 THE DEPARTMENT OF GENERAL SERVICES, AS WELL AS TERESA  
6 PARSLEY, WHO IS HERE AND HAS BEEN DESIGNATED AS THE  
7 PROJECT COORDINATOR ON BEHALF OF CAL-EPA, TO ANSWER  
8 QUESTIONS THAT MAY COME FORWARD.  
9 AS MANY OF YOU KNOW, IN THE DISCUSSIONS  
10 THAT I'VE HAD INDIVIDUALLY WITH YOUR OFFICES, A LOT IS  
11 STARTING TO CENTER AROUND THE ISSUE OF JUST HOW THIS  
12 EFFORT, IF WE GO FORWARD, WILL BE MANAGED OR  
13 ADMINISTERED, AND I THINK WE NEED TO HAVE A DISCUSSION  
14 AROUND THAT, AND CERTAINLY WE NEED TO GET THE  
15 PERSPECTIVE OF GENERAL SERVICES ON THAT SCORE.  
16 CAREN, LET ME JUST ASK IF YOU WOULD LIKE  
17 TO ADD ANYTHING SPECIFIC TO THE SCOPE OF WORK THAT YOU  
18 THINK SHOULD BE BROUGHT OUT AT THIS POINT.  
19 SO I KNOW THAT IN SOME WAYS I HAVEN'T  
20 COMPLETELY GONE THROUGH THE AGENDA ITEM, BUT I THINK  
21 YOU'RE ALL PRETTY FAMILIAR WITH WHAT YOU'VE BEEN  
22 BRIEFED INDIVIDUALLY ON OVER THE LAST SEVERAL DAYS. IN  
23 THE INTEREST OF TIME, IF YOU WANT TO START TO ASK STAFF  
24 SPECIFIC QUESTIONS OR HEAR FROM EITHER MR. SPINDLER OR  
25 ANY QUESTIONS IN GENERAL ABOUT THE PROJECT, PLEASE





1 ENTERTAIN QUESTIONS AT THIS TIME.

2 CHAIRMAN PENNINGTON: FIRST, LET ME -- I  
3 FAILED TO MENTION THAT IF ANYBODY WANTS TO SPEAK ON ANY  
4 ITEM, THERE'S SPEAKER SLIPS IN THE BACK OF THE ROOM.  
5 IF YOU WILL FILL ONE OUT AND BRING IT TO MS. KELLY,  
6 WE'LL BE HAPPY TO HEAR YOUR COMMENTS.  
7 I'D ALSO LIKE TO ASK, MARK WHITE, YOU  
8 WANT TO SPEAK ON THIS ITEM? I DIDN'T THINK SO, BUT YOU  
9 HAVE NO. 1 DOWN. THANK YOU. MRS. GOTCH.

10 BOARD MEMBER GOTCH: YES, I WOULD LIKE ASK MR.  
11 CHANDLER IF HE CAN BRIEFLY GO OVER THE HISTORY OF THE  
12 BOARD'S INVESTMENT WITH THIS PROJECT.

13 MR. CHANDLER: WELL, I THINK IT'S IMPORTANT  
14 PERHAPS AS A FOUNDATIONAL POINT. WHAT -- IN MY MIND  
15 WHAT THIS REALLY IS IS AN OPPORTUNITY FOR THIS BOARD TO  
16 BEGIN TO MOVE ON DIRECTION THAT YOU'VE ESTABLISHED IN  
17 THE STRATEGIC PLAN. WE HAVE RECOGNIZED, AS LOCAL  
18 GOVERNMENTS CONTINUE TO MAKE STRIDES, ALONG WITH  
19 INDUSTRIES' EFFORTS, TO DIVERT MATERIAL FROM THE  
20 WASTESTREAM, THAT ONE OF THE THINGS WE HEAR THE MOST IS  
21 MARKETS, MARKETS, MARKETS. WE NEED SUSTAINABLE MARKETS  
22 FOR THE REUSE OF THIS MATERIAL.  
23 IN OUR MARKET DEVELOPMENT PLAN AND  
24 SPECIFIC STRATEGIES THAT HAVE COME FORWARD IN THAT  
25 PLAN, WE IDENTIFIED THE WHOLE AREA OF CONSTRUCTION AND



1 DEMOLITION AS AN AREA WHERE WE FEEL OUR MISSION OF  
2 ESTABLISHING STABLE MARKETS CAN BE MET. SO YOU AS A  
3 BOARD HAVE DIRECTED STAFF TO SEEK WAYS IN WHICH WE CAN  
4 BEGIN TO MAKE INROADS IN THOSE AREAS.  
5 WHEN THE CAL-EPA BUILDING CAME ONTO THE  
6 HORIZON, WE SAW AN OPPORTUNITY THERE. AND BACK ON JUNE  
7 3D OF LAST YEAR, I WROTE A LETTER TO SECRETARY ROONEY  
8 OFFERING THE TECHNICAL SERVICES OF STAFF IN LAYING OUT  
9 SUBSTANTIAL -- WHAT WE FELT WERE COST-SAVING MEASURES  
10 THAT IF EMPLOYED IN THE DESIGN OF THIS BUILDING, AS  
11 WELL AS THE TENANT MODIFICATIONS OR TENANT IMPROVEMENTS  
12 THAT COULD BE MADE, WE FELT WOULD CREATE NOT ONLY A  
13 HEALTHY WORK ENVIRONMENT, BUT CERTAINLY OFFER THE KINDS  
14 OF COST SAVINGS THAT WE THINK ARE IMPORTANT.  
15 SIMILARLY, IN THE FALL OF LAST YEAR, MR.  
16 FRAZEE AND I WERE ON A TRIP IN SOUTHERN CALIFORNIA IN  
17 SAN DIEGO DEALING WITH SOME ISSUES WITH THE CITY OF SAN  
18 DIEGO IN THEIR ENVIRONMENTAL SOLID WASTE DEPARTMENT AND  
19 WERE TREATED TO A NICE TOUR OF THE BUILDING THAT THEY  
20 JUST RETROFITTED AT THEIR OWN FACILITY AND WERE  
21 IMPRESSED, AT LEAST I WAS, WITH THE COST SAVINGS THAT  
22 RESULTED FROM THE RETROFIT OF THAT BUILDING.  
23 WE FOLLOWED THAT UP WITH A FOLLOW-UP  
24 LETTER TO CAL-EPA THAT ACTUALLY CAME TO MY OFFICE,  
25 AGAIN, FROM DEPUTY DIRECTOR TRGOVCICH, WHICH I



1 FORWARDED ON TO CAL-EPA IN OCTOBER OF LAST YEAR AGAIN  
2 REITERATING OUR EFFORTS TO DATE IN DEVELOPING STAFF  
3 EXPERTISE IN THIS AREA AND OFFERING THE CONCEPT OF  
4 PUTTING TOGETHER A GREEN TEAM THAT COULD ASSIST THE  
5 AGENCY AND THE DEVELOPER IN THIS REGARDS.  
6 AND THEN MOST RECENTLY IN NOVEMBER OF  
7 LAST YEAR, I WROTE THE SECRETARY A THIRD LETTER ASKING  
8 THAT THE CAL-EPA OFFICE BUILDING BE CONSIDERED AN  
9 OPPORTUNITY WHERE WE COULD AGAIN MOVE IN THIS AREA. AS  
10 YOU KNOW, THERE'S BEEN SOME LEGISLATIVE INTEREST IN  
11 SEEING THAT THIS BUILDING INCORPORATE THE GREEN  
12 BUILDING CONCEPTS, AND SO I THINK, FOR A VARIETY OF  
13 REASONS, AGENCY RECENTLY HAS COME FORWARD AND ASKED ME  
14 SPECIFICALLY IF THE FUNDING WOULD BE AVAILABLE TO  
15 RETAIN THIS NATIONALLY RECOGNIZED EXPERT OR EXPERTS  
16 THAT COULD ASSIST BOTH THE DEVELOPER AND THE BUILDER IN  
17 MOVING THIS AGENDA FORWARD.

18 BOARD MEMBER GOTCH: THANK YOU.

19 BOARD MEMBER JONES: MR. CHAIRMAN.

20 CHAIRMAN PENNINGTON: MR. JONES.

21 BOARD MEMBER JONES: JUST A QUICK QUESTION  
22 ALONG THAT LINE. CAL-EPA HAS, YOU KNOW, HAS PRETTY  
23 MUCH SAID, YOU KNOW, LET'S GET THIS PERSON ON BOARD,  
24 LET'S SEE WHAT WE CAN DO. IS THERE A COMMITMENT OR A  
25 MECHANISM BEEN TALKED ABOUT OF WHAT'S GOING TO BE



1 ACCEPTABLE AND WHAT ISN'T GOING TO BE ACCEPTABLE? I'M

2 SORRY TO PUT YOU ON THE SPOT. THIS IS A TOUGH ITEM.

3 UNDERSTAND THAT.

4 MR. CHANDLER: IN LOOKING AT HOW THIS HAS BEEN

5 SUCCESSFUL FROM THE AUDUBON BUILDING ON THE EAST COAST

6 TO WHAT MR. FRAZEE AND I EXPERIENCED IN SAN DIEGO, I

7 HAVE BEEN COUNSELED AND BEEN LED TO BELIEVE THAT IF YOU

8 WANT TO SEE MOVEMENT IN THIS AREA, YOU NEED TO BRING

9 SOMEONE WHO CAN NOT ONLY DO THE ENERGY MODELING AND THE

10 KIND OF EXPERTISE THAT'S NEEDED, BUT YOU NEED TO BE

11 ABLE TO WORK WITH THOSE PEOPLE WHO ARE MAKING THE

12 DECISIONS. AND IN MY VIEW THAT IS BOTH THE BUILDER AND

13 THE DEVELOPER, OF COURSE, IN CONSULTATION WITH THE

14 TENANTS AND THE STATE OF CALIFORNIA THROUGH ITS

15 REPRESENTATION WITH THE DEPARTMENT OF GENERAL

16 SERVICES.

17 IT HAS ALWAYS BEEN MY POSITION, AS YOUR

18 DIRECTOR, IT'S ALWAYS BEEN STAFF'S RECOMMENDATION THAT

19 IF WE MOVED FORWARD ON ANY TYPE OF AN AGREEMENT, THAT

20 IT BE AN AGREEMENT THAT IS DIRECTLY WITH EITHER THE

21 DEVELOPER OR THE BUILDER BECAUSE I FEEL THEY ARE IN THE

22 POSITION TO BRING THIS TYPE OF EXPERTISE INTO THE

23 DESIGN TEAM AND MAKE THIS INDIVIDUAL A MEMBER OF THE

24 DECISION-MAKING PROCESS THAT ULTIMATELY WILL SAY YES OR

25 NO TO ANY TENANT IMPROVEMENTS CHANGES OR ANY DESIGN



1 CHANGES.

2 I HAVE TO SAY THAT CAL-EPA HAS BEEN CLEAR  
3 IN THEIR MESSAGE, WHICH IS THAT IF WE DO ANYTHING IN  
4 THIS AREA, THEY WANT TO ENSURE THAT IT DOES NOT IMPACT  
5 SCHEDULE AND BUDGET. THIS BUILDING IS, I THINK, SPEC'D  
6 AT ABOUT 173 MILLION SOME ODD DOLLARS. AS YOU KNOW, IT  
7 WILL BE THE LARGEST BUILDING ON THE SKYLINE FOR THE  
8 CITY OF SACRAMENTO AND WILL HOUSE ALL THE EMPLOYEES FOR  
9 ALL OF THE ENVIRONMENTAL PROTECTION AGENCIES AND BOARD  
10 AND DEPARTMENTS.

11 BOARD MEMBER JONES: THAT GETS TO MY QUESTION  
12 BECAUSE I TOO HAVE A REAL CONCERN THAT WE DO THIS, THAT  
13 WE PUT OUR MONEY WHERE OUR MOUTH IS, BUT I'M WONDER-  
14 ING -- AND WHEN WE GET TO THE POINT, IF WE EVER GET TO  
15 THE POINT, WHERE WE START TALKING ABOUT THIS DRAFT  
16 SCOPE OF WORK, WHEN WE'RE TALKING ABOUT INITIAL OUTLAY  
17 OF DOLLARS VERSUS THE BUDGET, IT IS THE CAL-EPA  
18 AGENCIES THAT ARE GOING TO BE PAYING THE RENT, THEY'RE  
19 GOING PAYING THE UTILITIES BILLS AND THINGS LIKE THAT,  
20 SO I THINK ONE OF THE CRITERIA THAT NEEDS TO BE ADDED  
21 TO THIS DRAFT LANGUAGE IS THE LONG-TERM SAVINGS FOR  
22 THESE ALLOCATED -- YOU KNOW, THESE ALLOCATIONS AT THE  
23 FRONT END NEED TO BE BALANCED AGAINST WHAT THE SAVINGS  
24 ARE OR THE COSTS ARE ON THE LONG END BECAUSE I DON'T  
25 HAVE ANY PROBLEM SPENDING EXTRA MONEY UP FRONT IF I'M



1 GOING TO SAVE IT FOR 25 YEARS.  
2 AND I THINK BECAUSE THIS AGREEMENT IS A  
3 25-YEAR AGREEMENT, I THINK THE NUMBERS HAVE TO BE DONE  
4 OVER A 25-YEAR SPAN. WHEN YOU DO PROJECTIONS, YOU  
5 USUALLY BASE IT ON REPLACEMENT, AND I THINK REPLACEMENT  
6 IN THIS CASE, IF YOU'VE GOT, YOU KNOW, AN AIR VAC  
7 SYSTEM OR THINGS LIKE THAT, IF YOU DESIGNED IT RIGHT  
8 THE FIRST TIME AND YOU SEE THOSE TYPES OF THINGS, YOU  
9 KNOW THAT YOU ARE GOING TO HAVE TO REPLACE THEM IN 10,  
10 15, 20 YEARS, BUT I DON'T THINK WE SHOULD SHORTEN THAT  
11 TIME PERIOD FOR THE SAVINGS. I THINK THEY SHOULD BE  
12 OVER THE 25-YEAR PERIOD BECAUSE YOU ARE GOING TO BE  
13 CHANGING LIKE FOR LIKE.  
14 WHEN THE TIME COMES, I'M GOING TO THROW  
15 THAT IN AS A DRAFT ISSUE THAT NEEDS TO BE ADDED TO THE  
16 DRAFT.  
17 THE OTHER THING IS, AND IT'S PROBABLY NOT  
18 THE RIGHT PLACE TO TALK ABOUT IT, BUT I'M READING AN  
19 ARTICLE OUT OF THE SACRAMENTO BEE THAT TALKS ABOUT HOW  
20 THIS BUILDING IS GOING TO BE -- THERE MAY BE A PROBLEM  
21 WITH THE CORPS OF ENGINEERS CHANGING THE RATING ON THE  
22 FLOOD PLAINS. AND WHERE I HAVE A PROBLEM WITH THAT  
23 IS -- I DON'T HAVE A PROBLEM WITH THE FACT THAT IT'S IN  
24 A FLOOD PLAIN, BUT I'M WONDERING THAT THERE IS A  
25 COMMENT IN HERE THAT WE HAVE TO HURRY UP AND GET THIS



1 THING PERMITTED BEFORE THE NEW REGULATIONS KICK IN.  
2 AND I'M WONDERING IF THAT'S GOING TO  
3 SOMEHOW -- IF THE WATER IS GOING TO STOP COMING INTO  
4 THE BUILDING PRIOR TO THAT CUT-OFF DATE OR WHAT BECAUSE  
5 I'M SURE THAT IT'S GOING TO BE THE TENANTS OF THE  
6 BUILDING THAT WOULD BE RESPONSIBLE FOR ANY REPAIRS THAT  
7 HAD TO BE DONE TO THE BUILDING. IS THAT REASONABLE?

8 MR. CHANDLER: WELL, I CAN CERTAINLY  
9 UNDERSTAND THAT IF YOU AND I WERE OPERATING A  
10 RESTAURANT ON THE FIRST FLOOR OF THAT BUILDING AND IT  
11 FLOODED, WE WOULD BE A LITTLE FRUSTRATED THAT PERHAPS  
12 THAT OPERATION WAS ALLOWED TO BE PERMITTED OR SITED.  
13 BUT I THINK YOU ALSO HAVE TO RECOGNIZE -- WHEN THIS  
14 INFORMATION WAS KNOWN. BUT I THINK YOU ALSO HAVE TO  
15 RECOGNIZE THAT AGAIN THIS PROJECT WAS BID SEVERAL  
16 MONTHS, PERHAPS EVEN YEARS AGO. THERE'S BEEN A CAPITAL  
17 INVESTMENT TO DATE AND NOW THIS INFORMATION IS COMING  
18 TO LIGHT, AND I THINK, SURE, FROM THE DEVELOPER'S  
19 PERSPECTIVE THEIR VIEW IS WE WOULD CLEARLY HAVE  
20 DESIGNED THE PROJECT TO MEET THE HUNDRED YEAR FLOOD  
21 REQUIREMENTS IF WE HAD KNOWN THAT WE WERE ONLY  
22 DESIGNING THEM TO, SAY, TO 77-YEAR FLOOD REQUIREMENTS,  
23 BUT AT THE TIME THAT WAS THE UNDERSTANDING WE HAD, AND  
24 50 WE PUT OUR ARCHITECTURAL AND OUR BID PROPOSALS  
25 TOGETHER ALONG THAT LINE.



1 IT'S SOMETHING LIKE OUR SUBTITLE D, THAT  
2 WHEN IT CAME ALONG, WE SAID ON THIS FORWARD ALL  
3 FACILITIES HAVE TO MEET THESE REQUIREMENTS AND  
4 EVERYTHING TO DATE WAS STILL ALLOWED TO OPERATE.

5 BOARD MEMBER JONES: BUT WE DIDN'T SHORTEN THE  
6 HEIGHT OF THE LEVEES AROUND OUR LANDFILLS TO MAKE SURE  
7 THAT THEY GOT BUILT BEFORE SOMETHING CHANGED, RIGHT?

8 BOARD MEMBER CHESBRO: AS LONG AS THERE'S  
9 LITTLE DOCKS AND BOAT MOORINGS, YOU KNOW, AS PART OF  
10 THE BUILDING, I THINK WE'LL BE OKAY.

11 BOARD MEMBER GOTCH: YOU KNOW, THAT'S A GOOD  
12 POINT THAT YOU ARE MAKING. AND ALSO, WE NEED TO  
13 REMEMBER THAT GENERALLY ALL THE COMPUTER NETWORKING  
14 SYSTEMS ARE ON THE GROUND FLOOR OR IN THE BASEMENT, SO  
15 THAT MEANS EVERYTHING GOES OUT UP ABOVE ALSO.

16 BOARD MEMBER JONES: AND I JUST FOUND IT  
17 INTERESTING THAT WE HAVE TO HURRY BEFORE THE DEADLINE.  
18 THAT JUST ALWAYS KIND OF AMAZED ME.

19 I HAD -- YOU KNOW, I'VE READ THIS DRAFT  
20 THING AND I'VE GOT SOME QUESTIONS. THE -- THEY TALK  
21 ABOUT THE TAG, THE TECHNICAL ADVISORY GROUP, ON THIS  
22 FACILITY, WHICH IS GOING TO DRAW EXPERTISE FROM ALL THE  
23 DIFFERENT AGENCIES. AND IN ALL LIKELIHOOD, ALL THOSE  
24 PEOPLE ARE GOING TO BE STAFFERS. AND I THINK STAFFERS  
25 DO GREAT JOBS DEALING WITH WHAT THEY ARE CHARGED WITH,





1 AND I'M NOT -- I'VE ALWAYS SAID AT THIS PLACE I ALWAYS  
2 THINK STAFF BRINGS EXACTLY WHAT STAFF NEEDS TO BRING TO  
3 A DISCUSSION, THE STAFF POINT OF VIEW AND WHAT THE REGS  
4 AND ALL THOSE THINGS ARE. BUT I THINK ON AN ISSUE LIKE  
5 THIS WHERE WE'RE TALKING ABOUT A GREEN BUILDING AND A  
6 SUSTAINABLE BUILDING AND WE'RE TALKING ABOUT WHAT IS  
7 OUR MISSION, YOU KNOW, WE HAVE AB 939. WE HAVE A  
8 MISSION, AND WE DON'T THAT MANY EXAMPLES OF THIS TYPE  
9 OF THING.  
10 AND TO -- AND I THINK THAT PART OF THE  
11 TAG GROUP NEEDS TO HAVE -- AND I'M NOT VOLUNTEERING FOR  
12 THIS. I DON'T EVEN WANT TO BE CONSIDERED FOR THIS --  
13 BUT I THINK A GOVERNOR'S APPOINTEE WHO UNDERSTANDS THE  
14 POLITICS NEEDS TO BE INCLUDED BECAUSE IF YOU DO A  
15 NUMBERS CRUNCH AND YOU SAY, WELL, THIS IS GOOD AND THIS  
16 IS GOOD, AND, NO, WE'RE NOT GOING TO DO THIS AND WE'RE  
17 NOT GOING TO DO THIS AND WE'RE NOT GOING TO DO THIS, SO  
18 WE BUILD IT WITHOUT ANY OF THE SUSTAINABLE THINGS  
19 BECAUSE OF DOLLARS AND STAFF DID THEIR WORK OR WE DO IT  
20 WITH VERY MINIMAL EFFECT, THERE IS ALWAYS GOING -- YOU  
21 KNOW, THERE'S MORE TO THIS BUILDING THAN JUST A  
22 BUILDING THAT HOUSES PEOPLE.  
23 THIS IS GOING TO BE A MONUMENT TO  
24 REGULATORS THROUGHOUT THE STATE OF CALIFORNIA. AND AS  
25 SOMEBODY THAT WAS REGULATED FOR 25 YEARS, I WONDER



1 ABOUT THAT SOMETIMES. BUT IT'S NOT MY DECISION TO  
2 MAKE. BUT I THINK THAT SOMEBODY NEEDS TO BE AWARE IN  
3 THESE DISCUSSIONS THAT, WHOEVER THE GOVERNOR IS -- I  
4 DON'T CARE WHO THE GOVERNOR IS AT THE TIME -- THEY NEED  
5 TO KNOW THAT AN AGENCY -- THAT THE AGENCIES OF THE  
6 STATE PRACTICE WHAT THEY PREACH AND WHAT THEY ENFORCE  
7 ON CITIES AND COUNTIES, ON THE INDUSTRY, ON EVERYBODY  
8 ELSE. AND I THINK THERE'S POLITICAL DAMAGE THAT -- AND  
9 I DON'T CARE IF YOU'RE A REPUBLICAN OR A DEMOCRAT --  
10 THERE IF WE'RE NOT LOOKING AT THOSE THINGS.  
11 AND I DON'T THINK -- IN ALL FAIRNESS, I  
12 THINK THERE ARE CERTAIN ELEMENTS THAT DON'T GET BROUGHT  
13 TO THAT TABLE IF THAT'S NOT ONE OF YOUR ISSUES. HOW DO  
14 WE DO THIS POLITICALLY? HOW DO WE DO THIS SO AN  
15 ADMINISTRATION, WHICHEVER ADMINISTRATION, ISN'T  
16 EMBARRASSED BECAUSE THEY'VE GOT EVERYBODY THAT DEALS  
17 WITH THE ENVIRONMENT IN A BUILDING THAT IS NOT GREEN,  
18 IN A BUILDING THAT IS NOT BUILT WITH RECYCLED MATERIAL,  
19 OR THAT IS NOT ENERGY EFFICIENT OR THAT IS NOT WATER  
20 EFFICIENT?  
21 I THINK THAT THOSE POLITICS NEED TO BE  
22 PART OF THIS TAG GROUP. I THINK SOMEBODY NEEDS TO BE  
23 THERE BECAUSE IF THAT ISN'T THERE, THEN FOR 25 YEARS  
24 WE'RE GOING TO BE IN A BUILDING THAT COULD BE AN  
25 EMBARRASSMENT TO SOMEBODY, MAYBE NOT.



1                   BOARD MEMBER CHESBRO: STEVE, YOU'RE TALKING  
2 ABOUT CREDIBILITY FOR US AND FUTURE REGULATORS. I MEAN  
3 I'M CONCERNED ABOUT THE GOVERNOR'S PR TOO IN POLITICS,  
4 BUT, YOU KNOW, I THINK IF YOU LOOK IT AS A LONG-TERM  
5 REGULATORY STRUCTURE, THAT STRUCTURE HAS TO HAVE  
6 CREDIBILITY IN ORDER TO DO ITS JOB EFFECTIVELY AND HAVE  
7 THE SUPPORT OF THE PUBLIC AND THE PEOPLE THAT ARE  
8 REGULATED. SO THAT'S, I THINK, AT THE BOTTOM LINE OF  
9 WHAT YOU'RE TALKING ABOUT.

10                  BOARD MEMBER JONES: THAT'S EXACTLY WHAT I'M  
11 SAYING BECAUSE, YOU KNOW, WHAT I WORRY ABOUT SOMETIMES,  
12 AND WE SEE IT EVERY DAY, STAFF DOES OUTSTANDING WORK AT  
13 THIS BOARD, BUT THERE ARE TIMES THAT OTHER ISSUES ARE  
14 NOT PART OF THAT DISCUSSION UNTIL WE BRING IT UP, NO  
15 MATTER FROM WHAT ANGLE WE BRING IT UP, BECAUSE THEY'RE  
16 NOT PART OF THE DAY-TO-DAY THOUGHT PROCESS. AND, YOU  
17 KNOW, I DON'T REALLY WANT TO -- I MEAN IT SEEMS PRETTY  
18 IRONIC THAT DOC AND THE WASTE BOARD AND THE AIR BOARD  
19 AND THE WATER BOARD COULD BE IN A BUILDING THAT MAY NOT  
20 HAVE TAKEN EVERY POSSIBLE STEP TO BE ENVIRONMENTALLY  
21 SOUND, TO BE -- YOU KNOW, IT JUST IS AT THE CRUX OF  
22 THIS THING AND I THINK IT'S CRITICAL.

23                  BOARD MEMBER GOTCH: I WAS JUST GOING TO ADD  
24 THAT YOU ARE RIGHT, THAT WE SHOULD BE WALKING THE TALK,  
25 AND WE SHOULD BE -- THIS BUILDING, THIS ENVIRONMENTAL



1 PROTECTION AGENCY BUILDING SHOULD BE THE -- SHOULD SET  
2 AN EXAMPLE AND WE SHOULD BE THE LEADER.  
3 BOARD MEMBER CHESBRO: MR. CHAIRMAN.  
4 CHAIRMAN PENNINGTON: YES, MR. CHESBRO.  
5 BOARD MEMBER CHESBRO: I'M VERY SUPPORTIVE OF  
6 DOING THIS; AND I THINK, TO THE EXTENT THAT STAFF HAS,  
7 YOU KNOW, STUCK ITS NECK OUT ON OUR BEHALF, RALPH HAS  
8 GONE OUT THERE AND WORKED ON THIS, I'M VERY SUPPORTIVE  
9 OF WHAT'S BEEN DONE, AND I THINK IT NEEDS TO BE A,  
10 RATHER THAN A MONUMENT TO REGULATION, IT SHOULD BE A  
11 MONUMENT TO RESPONSIBILITY.  
12 THAT BEING SAID, I DO HAVE ONE CONCERN  
13 WITH THIS, AND THAT IS THAT SO MUCH OF WHAT IS PROPOSED  
14 FALLS WITHIN THE PURVIEW OF OTHER AGENCIES AND  
15 DEPARTMENTS, IN PARTICULAR THE ENERGY COMMISSION. AND  
16 I'M WILLING TO VOTE TO SUPPORT PUTTING THIS MONEY  
17 FORWARD PROSPECTIVELY AND TAKE THE LEAD BECAUSE I THINK  
18 SOMEBODY NEEDS TO DO IT. BUT I HOPE THAT THE BOARD  
19 WILL ALSO DIRECT STAFF TO APPROACH THE ENERGY  
20 COMMISSION AND ACTIVELY SEEK THEIR EQUAL PARTICIPATION  
21 OR PARTNERSHIP WITH US, NOT JUST IN THE TECHNICAL  
22 INPUT, BUT ALSO FINANCIAL CONTRIBUTION IN ORDER TO MAKE  
23 SURE THAT WE'RE NOT BEARING THE WHOLE RANGE OF  
24 RESPONSIBILITY WHEN, IN FACT, OUR AREA OF EXPERTISE AND  
25 DUTY IS IN THE AREA OF WASTE REDUCTION AND RECYCLING.



1 SO, AGAIN, IT'S NOT MEANT TO BE A  
2 NEGATIVE COMMENT BECAUSE I THINK SOMEBODY NEEDED TO  
3 STAND UP AND SAY THIS NEEDS TO BE DONE, AND I'M GLAD  
4 IT'S US, BUT I CAN'T SEE ANY REASON WHY THEY WOULDN'T,  
5 OTHER THAN THE FACT IT'S IN ANOTHER AGENCY, ANY REASON  
6 WHY THEY WOULDN'T SEE THAT THIS WAS A HIGH PRIORITY FOR  
7 STATE GOVERNMENT AND WITHIN THEIR AREA OF MAJOR  
8 CONCERNS.

9 MR. CHANDLER: I AGREE. AND I HAVE TO ADMIT I  
10 WAS A LITTLE FRUSTRATED WITH MY FORMER COLLEAGUES AT  
11 THE ENERGY COMMISSION NOT STEPPING UP TO THE PLATE A  
12 LITTLE BIT MORE AGGRESSIVELY THAN THEY HAVE. AS YOU  
13 KNOW, MR. CHESBRO, WHEN I REVISITED THE RICHHAVEN  
14 PROJECT WITH STAFF AND WITH TERESA PARSLEY, I  
15 PERSONALLY ASKED DIRECTOR STEVE RHODES TO JOIN ME ON  
16 THAT SITE VISIT DOWN TO SAN DIEGO SO HE COULD SEE THE  
17 ACHIEVEMENTS THAT HAD OCCURRED IN SAN DIEGO, AS WELL AS  
18 THE AMOUNT OF WORK THAT WAS DONE THAT WAS SPECIFICALLY  
19 RELATED TO THE ENERGY SIDE OF THE EFFORT. AND I THINK  
20 YOU WILL NOTE THAT THE WORK SCOPE THAT WE PROPOSED  
21 INVOLVES QUITE A BIT OF ENERGY ANALYSIS.  
22 I UNDERSTAND FROM TERESA THAT THE GENERAL  
23 SERVICES OWN DEPARTMENT OF ENERGY ASSESSMENTS HAS BEGUN  
24 SOME WORK IN THIS AREA. AND I WOULD LIKE TO SEE THE  
25 CONSULTANT'S WORK DOCUMENT OR VERIFY THE CALCULATIONS



1 OF THAT WORK SO WE CAN GET A GOOD, ACCURATE READING ON  
2 JUST WHAT EFFICIENCIES BELOW TITLE 24 STANDARDS WE'RE  
3 ACTUALLY CLAIMING TO MAKE HERE. BUT I WILL TAKE YOUR  
4 DIRECTION AND FOLLOW UP AGAIN WITH DIRECTOR RHODES, AND  
5 PERHAPS CHAIRMAN PENNINGTON COULD HAVE A CONVERSATION  
6 WITH CHAIRMAN KEYES ABOUT THE COMMISSION'S ACTIVE  
7 PARTICIPATION, NOT ONLY ON THE TAG, BUT IN A MONETARY  
8 SENSE AS WELL.

9 BOARD MEMBER CHESBRO: I AGREE WITH YOU.

10 MR. CHANDLER: THEY NEED TO BE AT THE TABLE.

11 CHAIRMAN PENNINGTON: MR. FRAZEE.

12 BOARD MEMBER FRAZEE: YES. I JUST WANTED TO  
13 CONCUR WITH THE STATEMENTS ABOUT PARTICIPATION OF THE  
14 ENERGY COMMISSION. THAT IS THE ONE THAT STRUCK ME  
15 PARTICULARLY FROM THE SAN DIEGO EXPERIENCE. THE BIG  
16 SAVINGS THERE WERE IN THE AREA OF INITIAL INCREASED  
17 INVESTMENT THAT HAD, I BELIEVE, A THREE-YEAR PAYOFF IN  
18 ENERGY SAVINGS. AND THAT BUILDING WAS KIND OF UNIQUE  
19 BECAUSE THEY HAD A TWIN BUILDING THAT IS OPERATED BY  
20 THE COUNTY OF SAN DIEGO, AND THEY DID NOT DO THIS. SO  
21 THEY HAVE A SIDE-BY-SIDE COMPARISON OF THE ENERGY  
22 SAVINGS, SO IT REALLY PAYS OFF.

23 I THINK SO OFTEN WHEN WE TALK ABOUT USING  
24 RECYCLED MATERIALS IN A BUILDING LIKE THIS, THE CONCEPT  
25 SORT OF COMES TO MIND THAT WE'RE GOING TO GO OUT AND



1 GATHER UP USED PARTITIONS AND THINGS OF THAT NATURE AND  
2 TRY TO SELL THEM IN THE PROJECT. AND THERE ARE SO MANY  
3 OTHER OPPORTUNITIES THAT COME TO MIND WHERE RECYCLED  
4 MATERIALS ARE USED IN NEW CONSTRUCTION AND, IN FACT,  
5 ARE TURNED INTO NEW MATERIALS. I JUST SAW A FILM  
6 RECENTLY WITH KOHLER PLUMBING FIXTURES WHICH ARE MADE  
7 100 PERCENT FROM SCRAP MATERIAL, AND CARPETS IN THE  
8 CITY OF SAN DIEGO BUILDING ARE CARPETS THAT ARE MADE  
9 100 PERCENT FROM RECYCLED MATERIAL. SO THERE ARE ALL  
10 THOSE KINDS OF IDENTIFIED PRODUCTS THAT MAY NOT FIT  
11 THE -- WHAT THE TRADITIONAL VIEW OF RECYCLED MATERIAL,  
12 BUT CERTAINLY ACHIEVE THE GOAL IN HELPING BUILD MARKETS  
13 FOR RECYCLED MATERIAL.  
14 THE ONE CONCERN I HAVE, AND I KNOW WE  
15 HAVE SOME SUGGESTED LANGUAGE ABOUT THE ADMINISTERING OF  
16 THIS CONTRACT, DOES EVERY CONTRACT THAT WE ENTER INTO  
17 FALL UNDER THE PURVIEW OF GENERAL SERVICES, OR DO WE  
18 CONTRACT INDEPENDENT AS THIS PROPOSAL IS?  
19 MR. CHANDLER: WELL, PERHAPS I SHOULD ASK  
20 MARLENE IF SHE WOULD CIRCULATE SOME OF THE LANGUAGE YOU  
21 JUST REFERRED TO BECAUSE WHAT, I BELIEVE, THEY'RE  
22 REFERRING TO, MR. FRAZEE, IS LANGUAGE THAT CAL-EPA HAS  
23 PUT FORWARD AS SUGGESTED CONTRACT LANGUAGE THAT DOES  
24 DEAL SPECIFICALLY WITH THE QUESTION OF ADMINISTRATION.  
25 I KNOW THAT MR. SPINDLER WANTS TO SPEAK



1 TO THIS ISSUE AS WELL. BUT TO TRY TO ANSWER YOUR  
2 SPECIFIC QUESTION, WHEN WE HAVE A CONTRACT, AND WE HAVE  
3 THE RESPONSIBILITY OF ADMINISTERING THAT CONTRACT, WE  
4 SERVE AS THE CONTRACT MANAGER. GENERAL SERVICES AS  
5 CONTROL AGENCY CERTAINLY IS IN THE REVIEW LOOP, AS IS  
6 THE DEPARTMENT OF FINANCE AS A CONTROL AGENCY, BUT IT'S  
7 NOT MY EXPERIENCE THAT THEY NECESSARILY TAKE ON THE  
8 ROLE OF ADMINISTERING THAT CONTRACT WHEN WE HAVE  
9 CONTRACTS TO BRING EXPERTISE ON, HOW WE'RE GOING TO  
10 RIGID PLASTIC RECYCLING RATE CALCULATED. BAD EXAMPLE.

11 BOARD MEMBER FRAZEE: SO THERE'S NOTHING  
12 UNUSUAL ABOUT US ADMINISTERING THIS PROGRAM OURSELVES  
13 AND HANDLING THE PAY-OUT?

14 MR. CHANDLER: FROM OUR PERSPECTIVE, NO, BUT I  
15 KNOW THAT MR. SPINDLER WANTS TO SPEAK TO THAT, AND HE  
16 HAS A LEGITIMATE PERSPECTIVE, NOT TO TRY TO SPEAK FOR  
17 HIM, WHERE I THINK THAT THEY FEEL ANY WORK IN THIS AREA  
18 FALLS UNDER THEIR LARGER PURVIEW AS THE AGENT FOR THE  
19 STATE ON CAPITAL OUTLAY PROJECTS.

20 CHAIRMAN PENNINGTON: MAYBE WE COULD GET MR.  
21 SPINDLER UP HERE AND LET HIM --

22 MR. CHANDLER: GENE, ARE YOU IN THE AUDIENCE?

23 MR. SPINDLER: I'M GENE SPINDLER, DEPUTY  
24 DIRECTOR FOR THE REAL ESTATE SERVICES DIVISION FOR THE  
25 DEPARTMENT OF GENERAL SERVICES.





1 CHAIRMAN PENNINGTON: THANK YOU FOR COMING  
2 TODAY.

3 MR. SPINDLER: IF YOU'D LIKE ME TO COMMENT ON  
4 THE ISSUE OF OUR ADMINISTRATION OF THE PROJECT,  
5 BASICALLY THE -- I THINK, AS YOU ARE ALL AWARE, THE  
6 DEVELOPMENT OF THE BUILDING WHICH WILL BE -- OF WHICH  
7 CAL-EPA WILL BE A TENANT IS THE RESULT OF A LEASE  
8 BETWEEN THE DEPARTMENT OF GENERAL SERVICES AND THE CITY  
9 OF SACRAMENTO. AND THE CITY OF SACRAMENTO HAS RETAINED  
10 THOMAS DEVELOPMENT PARTNERS TO DEVELOP THE PROJECT.  
11 GENERAL SERVICES IS CHARGED WITH IMPLEMENTING THAT  
12 PROJECT, IF YOU WOULD, ON BEHALF AND OVERSIGHT OF THE  
13 PROJECT ON BEHALF OF THE STATE.  
14 THIS IS ONE COMPONENT IN THE OVERALL  
15 DEVELOPMENT AND INPUT OF INFORMATION THAT WOULD GO INTO  
16 THE CONSTRUCTION OF THE PROJECT. AND AS SUCH, GIVEN  
17 THE FACT THAT GENERAL SERVICES HAS THE RELATIONSHIP  
18 WITH THE DEVELOPER, WITH THE BUILDER, AND THE CITY,  
19 JUST IN KEEPING THE LINES OF REPORTING AND CONTINUITY  
20 IN SYNC, IT'S APPROPRIATE THAT GENERAL SERVICES  
21 CONTINUE THAT ROLE HERE.  
22 WE HAVE HAD A VERY GOOD RELATIONSHIP AND  
23 A CLOSE RELATIONSHIP WORKING WITH THE CAL-EPA IN THE  
24 DEVELOPMENT SO FAR. TERESA PARSLEY HAS BEEN CAL-EPA'S  
25 REPRESENTATIVE ON THE PROJECT. SHE'S WORKED VERY



1 CLOSELY WITH OUR PROJECT DIRECTOR. ALL INPUT THAT  
2 CAL-EPA HAS HAD HAS BEEN TAKEN VERY SERIOUSLY IN THE  
3 CONSIDERATIONS OF THE DEVELOPMENT, BUT WE AS THE  
4 DEPARTMENT OF GENERAL SERVICES HAVE THE ULTIMATE  
5 RESPONSIBILITY IN DELIVERY OF THAT PROJECT AND,  
6 THEREFORE, REALLY NEED TO ACT AS THE OVERALL UMBRELLA  
7 FOR THE ACTIVITIES THAT ARE CONDUCTED.

8 CHAIRMAN PENNINGTON: QUESTIONS OF MR.  
9 SPINDLER?

10 BOARD MEMBER GOTCH: MR. SPINDLER, IF THIS IS  
11 IN YOUR PURVIEW, WHY WAS SUSTAINABLE DESIGN AND  
12 CONSTRUCTION NOT INCLUDED IN THE BEGINNING OF THIS  
13 PROJECT?

14 MR. SPINDLER: •WHEN THE PROJECT WAS CONCEIVED,  
15 IT WAS ALWAYS ANTICIPATED THAT IT WOULD BE DESIGNED TO  
16 STATE-OF-THE-ART CRITERIA, BE IT FROM A STANDPOINT OF  
17 ENERGY EFFICIENCY, UTILIZATION OF MATERIALS, AND THE  
18 LIKE. IN THE DEVELOPMENT OF THE PROJECT, THESE  
19 CONSIDERATIONS HAVE BEEN TAKEN DURING THE DESIGN THUS  
20 FAR. BUT THERE HAS BEEN A DESIRE ON BEHALF OF CAL-EPA  
21 THAT THIS, IN FACT, BE A SIGNATURE-TYPE BUILDING FOR  
22 GREEN AND SUSTAINABLE TYPE OF ISSUES, AND WE AGREE. WE  
23 THINK THAT THAT IS A POINT WELL TAKEN.  
24 THE ISSUE CAME DOWN TO FUNDS. IN ORDER  
25 TO GO THAT EXTRA STEP AND IDENTIFY A CONSULTANT THAT



1 SPECIALIZES IN THESE AREAS AND GOES OUTSIDE THE BOX, IF  
2 YOU WOULD, TO TRY TO IDENTIFY AREAS OF SUSTAINABILITY,  
3 OF EFFICIENCY, AND LOOK AT THEIR LIFE CYCLE BENEFITS,  
4 WHETHER OR NOT THEY'RE COST-EFFECTIVE, TO WORK WITH US  
5 IN THAT REGARD, THEY WANTED TO GO THE EXTRA STEP, WE  
6 SUPPORTED THAT EFFORT AND, YOU KNOW, ARE WORKING WITH  
7 CAL-EPA IN THAT ENDEAVOR.

8 AT THE SAME TIME HAVING THE RELATIONSHIP  
9 WITH THE DEVELOPER, WE REALLY FEEL IT NEEDS TO BE  
10 CHANNELED THROUGH US, OR ONE WAY OR ANOTHER WE NEED TO  
11 BE INVOLVED IN THE ADMINISTRATION OF ANY RELATION- SHIP  
12 WITH THE DEVELOPER OR THE BUILDER.

13 BOARD MEMBER CHESBRO: WELL, I DON'T THINK  
14 THERE'S ANY INTENTION FOR YOU TO NOT BE INVOLVED. THE  
15 IDEA WASN'T FOR US TO DO YOUR JOB, I DON'T THINK, SO I  
16 WOULDN'T INTERPRET ANYTHING THAT'S BEEN PROPOSED SO FAR  
17 AS GOING DOWN THAT ROAD, AND I HOPE --

18 MR. SPINDLER: OUR SENSE IS THAT WE RECOGNIZE  
19 THAT, I THINK, THE WASTE MANAGEMENT BOARD WANTED TO  
20 BE -- BASICALLY ENTER INTO A CONTRACT SEPARATELY WITH  
21 THE BUILDER IN THIS CASE. AND WHAT THE ISSUE COMES  
22 DOWN IS WHO ADMINISTERS THAT CONTRACT. WE HAVE NO  
23 PROBLEM WITH THE BOARD EXECUTING A CONTRACT WITH THE  
24 BUILDER AND HAVING A DIRECT INVOLVEMENT THAT WAY. BUT  
25 AS PART OF THAT, WE NEED TO BE THE ENTITY THAT ACTUALLY



1 ADMINISTERS THAT CONTRACT. IN FACT, THAT'S WHAT I HAD  
2 ASKED MR. CHANDLER EARLIER IS THAT AS PART OF A TAG  
3 ONTO YOUR RESOLUTION, THAT YOU ADD LANGUAGE THAT WOULD  
4 PROVIDE -- JUST RECOGNIZE THAT THE DEPARTMENT OF  
5 GENERAL SERVICES WOULD BE -- WOULD ADMINISTER THE  
6 CONTRACT ON BEHALF OF THE BOARD AND THE AGENCY.

7 CHAIRMAN PENNINGTON: GO AHEAD, MR. JONES.

8 BOARD MEMBER JONES: WHO WITHIN GSA RIGHT NOW  
9 IS YOUR SUSTAINABLE BUILDING AND GREEN BUILDING EXPERT?  
10 DO YOU HAVE THOSE EXPERTS ON STAFF?

11 MR. SPINDLER: AS FAR AS WE HAVE AN OFFICE OF  
12 ENERGY ASSESSMENTS THAT ADDRESSES ISSUES THAT APPLY TO  
13 ENERGY -- THAT ARE ENERGY RELATED. AS FAR AS THE WHOLE  
14 FIELD OF SUSTAINABLE ITEMS, WE DON'T HAVE AN EXPERT PER  
15 SE; HOWEVER, THE CONTRACTOR IN THIS CASE DOES HAVE AN  
16 INDIVIDUAL ON STAFF WHO IS PRETTY MUCH AN EXPERT IN  
17 THAT FIELD, YES.

18 BOARD MEMBER JONES: BECAUSE I'M NOT SURE THAT  
19 WE'RE THE EXPERTS IN SUSTAINABLE BUILDINGS AND THOSE  
20 THINGS, BUT I KNOW THAT ONE OF THE AREAS THAT WE ARE  
21 GOING TO HAVE TO GET FUNDS TO FUND THIS IS GOING TO  
22 COME FROM A PROJECT THAT IS GOING TO IMPROVE MARKETS IN  
23 C&D. SO IF WE ARE GOING TO TAKE MONEY OUT OF THAT TO  
24 MAKE SURE THAT THE CAL-EPA BUILDING IS, IN FACT, A  
25 GREEN SUSTAINABLE BUILDING, THEN THERE IS A - - YOU



1 KNOW, THERE IS A BIT OF CAUTION THAT GOES -- I THINK I  
2 CAN LEGITIMATELY SAY WITH ALL OF THESE BOARD MEMBERS  
3 AND STAFF THAT, YOU KNOW, WE HAVE A BIRD IN HAND,  
4 RIGHT? WE HAVE A PROJECT FOR IMPROVING C&D REGIONALLY  
5 THROUGHOUT THE STATE THAT WE CAN FUND TOMORROW. IF WE  
6 TAKE MONEY OUT OF THAT TO FUND THIS, WE HAVE A  
7 POTENTIAL, IF OUR INTENTIONS AREN'T APPROPRIATELY  
8 RESPECTED, THAT WE ARE GOING TO TAKE STEPS BACKWARDS.  
9 AND, YOU KNOW, TO BE HONEST WITH YOU, WE  
10 HAVE A HARD TIME WHEN A CITY AND COUNTY COMES IN FRONT  
11 OF US AND SAYS, "I CAN'T HIT THE 25-PERCENT GOAL  
12 BECAUSE THE STATE BUILDING OVER HERE DOESN'T RECYCLE OR  
13 THE PRISON IS TAKING ITS GARBAGE TO OREGON," YOU KNOW.  
14 SO THAT'S A LITTLE TOUGH FOR US BECAUSE WE'RE TELLING  
15 LOCAL GOVERNMENT YOU HAVE TO LIVE BY THIS LAW. WE  
16 DIDN'T WRITE THE LAW, BUT WE ARE THE CARETAKERS OF THAT  
17 LAW, AND WE ARE THE CARETAKERS OF TRYING TO IMPROVE  
18 MARKETS.  
19 THIS IS MONUMENTAL. THIS IS HUGE. IF WE  
20 GET THE CAL-EPA BUILDING AS A -- AS THE FIRST, OKAY, I  
21 THINK THE SUCCESS WOULD BE THAT ALL FUTURE GSA STATE  
22 FUNDED BUILDINGS WOULD BE ABLE TO USE THAT EXPERTISE,  
23 WOULD BE ABLE TO USE WHAT THEY COULD DRAW FROM THIS  
24 BUILDING TO HELP US PROMOTE WHAT IS OUR MANDATE. YOU  
25 KNOW WHAT I'M SAYING? SO THIS IS CRITICAL. AND TO



1 TURN THE DOLLARS OVER AND NOT HAVE CONTROL OVER AT  
2 LEAST THE DIALOGUE PUTS US, I THINK, IN A VERY  
3 PRECARIOUS SITUATION BECAUSE THEN WE CAN'T DO OUR JOB.

4 MR. SPINDLER: LET ME -- IF I CAN SPEAK TO  
5 THAT, A COUPLE OF ISSUES. FIRST OFF, YOU ARE  
6 ABSOLUTELY RIGHT. YOU HAVE A VESTED INTEREST IN THE  
7 FUNDS AND HOW THEY'RE TO BE SPENT. AND I THINK -- AND  
8 A VESTED AND A VIABLE INTEREST IN WHY THEY SHOULD BE  
9 USED TO THE BEST POSSIBLE -- FOR THE ULTIMATE RESULT.  
10 THAT IS WHY, ONE, WE AGREE THAT IT'S APPROPRIATE TO  
11 HAVE -- TO BRING IN AN OUTSIDE CONSULTANT, A SEPARATE  
12 CONSULTANT WHO SPECIALIZES IN THESE AREAS, WHO HAS  
13 NATIONAL KNOWLEDGE IN THESE AREAS.

14 IN ADDITION TO THAT, WE THINK THE IDEA OF  
15 HAVING THIS TECHNICAL ADVISORY GROUP IS A GOOD IDEA.  
16 THAT WOULD HELP PROVIDE ADDITIONAL INPUT INTO -- TO  
17 WORK WITH THE CONSULTANT, IF YOU WOULD, AND WORK AS A  
18 TEAM.

19 AS THIS ISSUE FIRST CAME UP AND WE BECAME  
20 MORE AWARE OF IT, AS FAR AS APPLYING TO THIS PARTICULAR  
21 PROJECT, WE, IN FACT, SENT PEOPLE BACK TO CLASSES IN  
22 WASHINGTON, D.C., THAT DEALT WITH GREEN BUILDING ISSUES  
23 AND SUSTAINABLE ISSUES. SO WE ARE ACQUIRING MORE AND  
24 MORE OF THAT EXPERTISE. AND I GUESS WHAT I'M  
25 ADDRESSING HERE IS WHILE RECOGNIZING THE NEED TO BRING



1 ALL THE EXPERTISE THAT'S AVAILABLE TO THE TABLE, WE  
2 HAVE AN ISSUE HERE OF ADMINISTERING THE JOB, OF  
3 IMPLEMENTING THE JOB. AND OUR JOB IS TO MANAGE WORK  
4 THAT'S DONE ON BUILDINGS. THAT'S WHAT WE DO. THAT'S  
5 WHAT WE'RE IN BUSINESS FOR. SO WE HAVE THAT ROLE IN  
6 THIS PARTICULAR PROJECT. THIS IS ANOTHER DISCIPLINE  
7 THAT'S BEING BROUGHT TO BEAR FOR THIS PARTICULAR  
8 BUILDING, AND WE WOULD WANT TO BRING ALL THE EXPERTISE  
9 AVAILABLE. WE WOULD ANTICIPATE THE WASTE MANAGEMENT  
10 BOARD PARTICIPATING ON THE TECHNICAL ADVISORY GROUP.  
11 WE'VE BEEN ASKED TO ALSO, IF YOU WOULD,  
12 FACILITATE THE TECHNICAL ADVISORY GROUP. AND AS PART  
13 OF ALL THAT, IT ONLY SEEMS APPROPRIATE, WELL, IT IS  
14 APPROPRIATE THAT WE BE [N A POSITION TO ADMINISTER THE  
15 CONTRACT, THE RELATIONSHIP WITH THE DEVELOPER.  
16 NOW, ADMINISTERING THE RELATIONSHIP WITH  
17 THE DEVELOPER DOES NOT PRECLUDE PARTICIPATION FROM THE  
18 WASTE MANAGEMENT BOARD IN THE PROCESS. IT'S JUST THE  
19 ACTUAL PROCESS OF ADMINISTERING THE CONTRACT THAT WE  
20 NEED TO HAVE THE ROLE. AND I DON'T KNOW IF I'M BEING  
21 CLEAR.

22 BOARD MEMBER JONES: YOU ARE BEING CLEAR. BUT  
23 I MADE A COMMENT THAT I WOULD HOPE THAT THIS WOULD  
24 BE -- IF THIS WORKS, IF WE GET ENOUGH -- AND WE KNOW IT  
25 CAN, I MEAN, BUT IT'S A DOLLARS ISSUE, BUT IF WE SHOW



1 THE DOLLAR SAVINGS, BECAUSE I THINK IT'S IMPORTANT TO  
2 ADD TO THE SCOPE OF WORK WHAT I HAD SAID ABOUT DOING  
3 THE COST ANALYSIS FOR THESE THINGS AS FAR AS THE  
4 LONG-TERM SAVINGS, NOT JUST ENERGY, BUT ALL THE  
5 DIFFERENT PIECES AND TALKING ABOUT THOSE THINGS.  
6 WILL THERE BE A MECHANISM WITHIN GSA TO  
7 EVALUATE THIS FOR FUTURE PROJECTS THROUGHOUT THE  
8 STATE?

9 MR. SPINDLER: WE BASICALLY -- WE WOULD BE  
10 REMISS NOT TO TAKE ADVANTAGE OF WHAT WE LEARN ON ONE  
11 PROJECT AND NOT APPLY IT TO THE NEXT. AND AS A MATTER  
12 OF COURSE, IN OUR RECENT DEVELOPMENTS WE'VE MADE EVERY  
13 EFFORT TO DO THAT, AND WE WOULD EXPECT TO DO THE SAME  
14 HERE.

15 MR. CHANDLER: MR. PENNINGTON, IF I COULD.  
16 KNOW, GENE, WHEN I WALKED DOWN THIS MORNING OR THIS  
17 AFTERNOON AND YOU HANDED ME THIS, I UNDERSTAND THE  
18 CHAIRMAN'S OFFICE WAS IN DISCUSSIONS WITH THE  
19 UNDERSECRETARY'S OFFICE THIS MORNING, AND WE HAD  
20 RECEIVED A FAX THAT REPRESENTED SOME LANGUAGE. AND I  
21 UNDERSTAND THIS HAS BEEN HANDED TO THE BOARD MEMBERS.  
22 I CALL IT VERSION 2 OF THE ORIGINAL CAL-EPA FAX  
23 LANGUAGE, THE FIRST OF WHICH WE RECEIVED LAST NIGHT.  
24 I GUESS, GENE, I WANT TO BE CLEAR. IS  
25 THAT THE LANGUAGE THAT YOU ARE STILL UNCOMFORTABLE

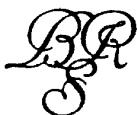




1 WITH? THE LANGUAGE THAT THE UNDERSECRETARY OF CAL-EPA  
2 SAID THAT THEY COULD LIVE WITH?

3 MR. SPINDLER: YES, TO THE EXTENT THAT IT  
4 DOESN'T SEEM TO BE CLEAR. BASICALLY YOU'VE GOT A  
5 SITUATION, I THINK, WHERE THE INTEGRATED WASTE  
6 MANAGEMENT BOARD WOULD LIKE TO BE THE SIGNATORY TO THE  
7 CONTRACT, WOULD LIKE TO HAVE THE ABILITY TO, YOU KNOW,  
8 TO HAVE THAT DIRECT RELATIONSHIP WITH THE BUILDER OR  
9 THE DEVELOPER, WHICHEVER THIS IS ENTERED INTO WITH, AND  
10 THEN IF THIS HAS THE CONTRACT, THEN NOT ONLY BEING  
11 EXECUTED BY THE WASTE MANAGEMENT BOARD, BUT THE WASTE  
12 MANAGEMENT BOARD ADMINISTERING THE CONTRACT. AND I  
13 THINK WHAT WE'RE DEALING WITH HERE IS AN ISSUE OF  
14 SEMANTICS IS THAT WHO CARRIES OUT THE RELATIONSHIP WITH  
15 THE DEVELOPER OR THE BUILDER THEMSELVES. AND THAT  
16 RELATIONSHIP, BE IT FROM THE STANDPOINT OF, YOU KNOW,  
17 DOING PROGRESS PAYMENTS, THE ACTUAL POINT OF CONTACT IN  
18 SETTING UP, JUST ADMINISTERING THE WORK IS IMPLEMENTED  
19 BY WHOEVER ADMINISTERS THE CONTRACT. AND THAT'S THE  
20 ROLE THAT WE WOULD SEE THE DEPARTMENT OF GENERAL  
21 SERVICES IN.

22 I DON'T -- IN THIS LANGUAGE I'M NOT SURE  
23 THAT I TOTALLY UNDERSTAND WHAT IS MEANT BY THE  
24 CONNECTION BETWEEN ADMINISTERING THE CONTRACT UNDER THE  
25 MANAGEMENT OF GENERAL SERVICES.



1 MR. CHANDLER: AGAIN, THAT'S NOT OUR LANGUAGE.  
2 THAT WAS THE AGENCY'S. SO, GENE, IS IT YOUR POSITION  
3 THAT, AS YOU SAID, THE PROGRESS PAYMENTS TO, LET'S SAY,  
4 THE BUILDER IN THIS CASE WOULD BE ADMINISTERED BY  
5 GENERAL SERVICES? IN OTHER WORDS, LET ME MAKE SURE.  
6 IS IT YOUR DEFINITION OF ADMINISTRATION THAT THE FUNDS  
7 THAT THE BOARD MAY APPROPRIATE WOULD BE TRANSFERRED TO  
8 THE DEPARTMENT OF GENERAL SERVICES SO THAT YOU COULD  
9 ADMINISTER THESE FUNDS THROUGH THE FORM OF RELEASE OF  
10 PROGRESS PAYMENTS AND THE LIKE?

11 MR. SPINDLER: I THINK THAT'S A DETAIL THAT  
12 CAN WORK OUT. I DON'T KNOW THAT THAT WOULD BE  
13 NECESSARY. I THINK THE ISSUE, THOUGH, IS BEFORE ANY  
14 PROGRESS PAYMENTS WERE MADE TO THE BUILDER OR THE  
15 DEVELOPER, THAT THE DEPARTMENT OF GENERAL SERVICES  
16 WOULD NEED TO RECOMMEND THEIR DISBURSEMENT.

17 MR. CHANDLER: SO I THINK WE'RE GETTING  
18 CLARITY.  
19 OF COURSE, IT WOULD BECAUSE WE HAVE THE  
20 BUDGET AUTHORITY. BUT I JUST THINK IT'S IMPORTANT THAT  
21 YOU GET A FEEL FOR THE DISTINCTION THAT'S BEING DRAWN  
22 HERE. AND, AGAIN, I CAN APPRECIATE THAT FROM MR.  
23 SPINDLER'S PERSPECTIVE THEY HAVE THEIR INTERESTS. WE  
24 HAVE OURS. AND I THINK THE DIFFICULT POSITION,  
25 APPARENTLY, I'VE PUT YOU IN AS MEMBERS TODAY IS THAT WE



1 HAVE TO DECIDE IF WE WANT TO MOVE FORWARD ON AN  
2 ARRANGEMENT LIKE THIS BECAUSE I THINK WE'VE GOT, AS I  
3 SAID EARLIER, AND I THINK AS MR. JONES REITERATED, WE  
4 HAVE A CORE FUNCTION HERE TO TRY TO BEGIN TO SET SOME  
5 STANDARDS FOR ESTABLISHING MARKETS IN THIS AREA OF  
6 REUSE. AND OBVIOUSLY WE'D LIKE TO DO IT IN A WAY  
7 THAT'S IN PARTNERSHIP WITH THE DEVELOPMENT COMMUNITY  
8 AND CERTAINLY THE STATE OF CALIFORNIA.  
9 I JUST THINK WE HAVE TO ALL KNOW WHAT  
10 WE'RE GOING INTO AS IT RELATES TO HOW THIS IS PROPOSED  
11 NOW TO BE ADMINISTERED.

12 CHAIRMAN PENNINGTON: MR. FRAZEE.

13 BOARD MEMBER FRAZEE: I SEE OUR ROLE IN THIS  
14 ENTERPRISE AS BEING ONE OF AN ADVOCACY, AND I THINK  
15 THAT'S SEPARATE FROM THE ROLE THAT GENERAL SERVICES  
16 PLAYS IN ADMINISTERING THE CONTRACT AND BEING THE  
17 STATE'S OVERSEER OF THIS PROJECT. I THINK WE'RE OUT  
18 HERE SOMEWHERE ELSE JUST AS ANY OTHER INTEREST GROUP  
19 MAY BE IN PROVIDING INPUT.

20 TO BE VERY FRANK, IF -- WELL, FIRST OF  
21 ALL, TIME IS OF THE ESSENCE IN THIS. I THINK WE SHOULD  
22 MOVE AHEAD WITH IT, BUT I RAPIDLY LOSE INTEREST IN IT  
23 IF IT'S GOING TO END UP WITH US MAKING A CONTRIBUTION  
24 THAT GOES INTO THE GSA POT AND SORT OF IS USED TO  
25 SUPPLY OTHER MONEY THAT MAY BE USED IN THE PROCESS. SO



1 I THINK THAT WE OUGHT TO ADMINISTER THIS OURSELVES AND  
2 MOVE AHEAD AS AN ADVOCACY FOR THIS.

3 I THINK THE PUBLIC PROCESS IS ONE THAT  
4 ALLOWS FOR THAT AND ALLOWS FOR INPUT FROM INTERESTED  
5 PARTIES, AND WE ARE CERTAINLY RANKED RIGHT UP THERE AS  
6 FAR AS INTERESTED PARTIES ARE CONCERNED.

7 MR. SPINDLER: IF I MAY.

8 CHAIRMAN PENNINGTON: CERTAINLY.

9 MR. SPINDLER: I DIDN'T MEAN TO IMPLY THAT THE  
10 FUNDS WOULD GO TO THE DEPARTMENT OF GENERAL SERVICES.  
11 THE RELATIONSHIP, A CONTRACT RELATIONSHIP BETWEEN THE  
12 BOARD AND THE BUILDER, IF YOU WOULD, WE'RE TALKING  
13 ABOUT THE BOARD CAN WRITE THE CHECK TO THE BUILDER AND  
14 CONTROL HOW THE FUNDS GO THERE, BUT WE'RE TALKING ABOUT  
15 IMPLEMENTATION OF THE EFFORT, WHEN PROGRESS PAYMENTS  
16 SHOULD BE MADE, WHAT SHOULD BE THE CONDITION UPON WHICH  
17 THOSE PAYMENTS SHOULD BE RELEASED TO THE CONTRACTOR,  
18 COORDINATION WITH THE CONTRACTOR WITH THE BOARD'S  
19 PARTICIPATION. THAT'S THE ROLE THAT I'M TALKING ABOUT  
20 THAT'S CONSISTENT WITH WHAT WE'RE DOING ON THE REST OF  
21 THE PROJECT.

22 BOARD MEMBER FRAZEE: THAT'S WHY I ASKED MY  
23 INITIAL QUESTION ABOUT THIS BEING AN UNUSUAL THING FOR  
24 US TO ADMINISTER A PROGRAM OURSELVES. AND IT'S NOT  
25 UNUSUAL, AND WE HAVE CONTRACT ADMINISTRATORS AND DO



1 THIS REGULARLY. SO IT'S NOT PERHAPS LIKE SOME OTHER  
2 AGENCIES THAT ARE NOT IN THAT ROLE AND DON'T HAVE THE  
3 STAFF EXPERTISE TO ADMINISTER THE CONTRACT. SO I CAN  
4 SEE NO GOOD REASON WHY, UNLESS SOMEONE CAN CONVINCE ME  
5 OTHERWISE, WHY WE CAN'T ADMINISTER THIS PROGRAM  
6 OURSELVES.

7 BOARD MEMBER JONES: MR. CHAIRMAN.

8 CHAIRMAN PENNINGTON: YES, GO AHEAD, MR.  
9 JONES.

10 BOARD MEMBER JONES: IF GSA AND THE BOARD  
11 WORKED TOGETHER, BECAUSE I AGREE WITH MR. FRAZEE, I  
12 MEAN IT SEEMS TO ME MORE I'M LISTENING, I'M CONCERNED  
13 ABOUT TWO THINGS. ONE, IT SEEMS LIKE THIS IS A WHO  
14 GETS TO WRITE THE CHECKS ISSUE. I THINK FROM OUR  
15 STANDPOINT IT IS ARE WE GOING TO BE HURT? I DON'T  
16 THINK WE'RE TELLING DGS THAT IF WE HAVE THESE  
17 RECOMMENDATIONS, YOU HAVE TO DO IT. YOU KNOW, I MEAN  
18 OBVIOUSLY WE WANT TO BE A PART OF THOSE DISCUSSIONS.  
19 BUT WOULD DGS BE COMFORTABLE WORKING WITH OUR  
20 ADMINISTRATIVE DIVISION AND TELL US, YOU KNOW, THIS  
21 MUCH WORK'S BEEN DONE? I MEAN IT WOULD SEEM TO ME YOU  
22 COULD JUST TALK BACK AND FORTH AS TO WHEN THE CHECKS  
23 GET CUT WITHOUT TAKING AWAY ANY OF YOUR AUTHORITY  
24 BECAUSE I DON'T THINK WHAT WE'RE TRYING TO DO IS TAKE  
25 AWAY ANY AUTHORITY OF DGS.



1 WE UNDERSTAND THAT THIS IS DGS' PROJECT,  
2 BUT WE HAVE A STAKE OF 150 GRAND IN THIS THING THAT,  
3 YOU KNOW, I AGREE WITH MR. FRAZEE. IF IT GOES INTO THE  
4 POT, WHO KNOWS? AND I DON'T THINK WE'RE COMFORTABLE  
5 WITH THAT. IN FACT, I KNOW WE'RE NOT. IT WOULD SEEM  
6 TO ME THAT IT WOULD JUST BE AN ADMINISTRATIVE COUPLE OF  
7 PHONE CALLS THAT COULD DEAL WITH THIS, KEEP US BOTH  
8 HAPPY. AM I MAKING IT TOO SIMPLE?

9 MR. SPINDLER: NOT REALLY. WE WORK VERY WELL  
10 WITH CAL-EPA, WITH THE AGENCY, ON THIS PROJECT. WE'RE  
11 WORKING WITH THEM ON THIS RIGHT NOW. THE ISSUE COMES  
12 DOWN TO THERE ARE SERVICES AND ADMINISTRATIVE ISSUES  
13 THAT WE'RE BEING ASKED -- THIS IS ABOVE AND BEYOND, IF  
14 YOU WOULD, THE SCOPE OF WHAT THE INITIAL CONTRACTOR --  
15 I MEAN THE DEVELOPER ANTICIPATED DOING, BUT IT'S AN  
16 EFFORT THAT WE ALL THINK MERITS PURSUING. HOWEVER,  
17 THERE ARE ISSUES THAT WE ARE ALSO BEING ASKED TO  
18 IMPLEMENT ALONG WITH THIS.  
19 AND IN ORDER TO DO THAT EFFECTIVELY, I  
20 NEED -- THE DEPARTMENT NEEDS TO HAVE THE ABILITY TO  
21 IMPLEMENT THE PROCESS, BE IT THE RELATIONSHIP WITH THIS  
22 CONSULTANT AND OTHER RELATIONSHIPS THAT ARE TIED IN  
23 WITH THE ACTIVITIES OF THIS CONSULTANT. IF WE'RE NOT  
24 ADMINISTERING THIS COMPONENT, BUT WE'RE HAVING TO  
25 ADMINISTER OTHER COMPONENTS, IT CREATES A SITUATION



1 WHERE THE SAME VENDOR, IF YOU WOULD, OR DEVELOPER IS  
2 PROVIDING DIFFERENT LINES OF COMMUNICATION TO DIFFERENT  
3 ENTITIES. AND SO FAR WE'VE BEEN SUCCESSFUL IN KEEPING  
4 THAT CHanneled THROUGH ONE SOURCE. AS IT DIVERGES FROM  
5 THAT, YOU LOSE EFFICIENCIES. THIS IS PURELY AN ISSUE  
6 TO KEEP THE PROJECT RUNNING IN AN EFFICIENT MANNER.

7 BOARD MEMBER JONES: BUT DOESN'T THIS --  
8 DOESN'T THIS CHANGE THAT TIME LINE OR COULD IT? THIS  
9 IS THE ARTICLE THAT NOW IT'S A FLOOD PLAIN AND IT MAY  
10 HAVE TO BE TOTALLY REDESIGNED.

11 MR. SPINDLER: FIRST OFF, I HAVEN'T READ THE  
12 ARTICLE, BUT I'M A LITTLE BIT FAMILIAR WITH THE ISSUES  
13 THAT HAVE BEEN RAISED. THAT -- IS THIS BASED ON THE  
14 MAP, THE NEW MAPS THAT THE CORPS OF ENGINEERS --

15 BOARD MEMBER JONES: THE CORPS OF ENGINEERS,  
16 THE FEDERAL GOVERNMENT IS COMING OUT WITH. AND THEN  
17 THE CITY MANAGER OF SACRAMENTO IS SAYING, YOU KNOW, THE  
18 CAL-EPA BUILDING IS IN JEOPARDY. WE HAVE TO HURRY UP  
19 AND GET IT PERMITTED. THAT'S NOT GOING TO STOP THE  
20 FLOOD. AND I GUESS WHAT I'M SAYING IS IF THIS -- IF  
21 THE FEDERAL GOVERNMENT'S CORPS CHANGES THE FLOOD PLAIN,  
22 THEN IRREGARDLESS OF THE YEAR OR TWO YEARS THAT WENT  
23 INTO THE INITIAL PLANNING OF THIS, IT WOULD SEEM TO ME  
24 THAT EVERYTHING WOULD STOP AT THAT POINT ANYWAY AND  
25 HAVE TO BE REDESIGNED TO DEAL WITH THIS -- WITH THE NEW



1 CONSTRUCTION REQUIREMENTS OF BUILDING A BUILDING IN  
2 THAT FLOOD PLAIN.

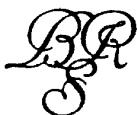
3 MR. SPINDLER: THAT BUILDING HAS BEEN ON A  
4 SCHEDULE, IF YOU WOULD, THAT'S APART FROM THIS ISSUE.  
5 IN SPITE OF THIS, EVEN UNDER THE FORMER MAPS AND THE  
6 FORMER CODES AND THE LIKE, THE BUILDING HAS BEEN  
7 DESIGNED AND ELEVATED ABOVE THE ORIGINAL MAP LINES.  
8 OKAY. AND MY SENSE IS IT'S PROBABLY AND MAY BE PRETTY  
9 WELL CLOSE WITHIN THE CURRENT ONES. I HAVEN'T VERIFIED  
10 THAT TO THE TOTAL YET, BUT WE INTENTIONALLY RAISED IT  
11 FROM ONE OF THE -- FOR THIS TYPE OF REASONS ABOVE THE  
12 PLAIN THAT WAS PERMISSIBLE BEFORE. SO HOW THAT AFFECTS  
13 THIS IS SOMETHING THAT THE CITY IS GOING TO HAVE TO  
14 WORK THROUGH IN ITS OWN BUILDING PERMITTING PROCESS  
15 ANYHOW. BUT THAT -- I'M NOT -- THAT DOESN'T REALLY  
16 HAVE AN IMPACT, I DON'T BELIEVE, ON WHAT WE'RE TALKING  
17 ABOUT HERE.

18 MR. CHANDLER: IF I COULD KIND OF CLARIFY OUR  
19 INTEREST AND OBJECTIVES. NOT THAT THIS IS GOING TO  
20 LEAD US NECESSARILY TO A BREAKTHROUGH. BUT I FELT  
21 THAT -- IF YOU'VE BEEN REVIEWING THE SCOPES OF WORK,  
22 ONE OF WHICH WAS COMMENTS FROM TERESA PARSLEY, WE'RE  
23 TRYING TO DO THREE THINGS HERE IN THE SIMPLEST TERMS.  
24 NO. 1, WE WANT TO CAPTURE AND DOCUMENT  
25 ALL OF THE EFFICIENCIES THAT ARE ALREADY BUILT INTO THE





1 CURRENT DESIGN OF THIS BUILDING. AS I SAID, IT'S WELL  
2 UNDER WAY. THIS IS MORE LIKE THE RICHHAVEN RETROFIT  
3 PROJECT EVERY DAY AS OPPOSED TO A NEW BUILDING PROJECT.  
4 NO. 1, WE WANT TO CAPTURE THE GOOD EFFICIENCIES THAT  
5 HAVE ALREADY BEEN DESIGNED INTO THE BUILDING TO DATE.  
6 NO. 2, WE WANT TO LOOK AT WHAT  
7 OPPORTUNITIES IN TENANT IMPROVEMENTS AND OTHER  
8 ADDITIONAL DESIGNS THAT COULD STILL BE INCORPORATED  
9 INTO THE FUTURE DRAWINGS, IF YOU WILL, AND IMPLEMENTED  
10 WITHIN SCHEDULE AND WITHIN BUDGET.  
11 AND NO. 3, WE WANT TO LOOK AT THOSE  
12 OPPORTUNITIES, AS MR. JONES IS SPEAKING TO, THAT HAVE A  
13 TRUE LIFE CYCLE COST BENEFIT TO THE STATE IN ECONOMIC  
14 TERMS, BUT FRANKLY MIGHT INVOLVE SOME CAPITAL OUTLAY  
15 EXPENDITURES THAT GO OUTSIDE OF THE BUDGET.  
16 THOSE THREE AREAS IS IN SIMPLE TERMS THE  
17 GENERAL SCOPE OF WHAT I SAW THE CONSULTANT ATTEMPTING  
18 TO DO. IF WE COULD ACHIEVE THOSE OBJECTIVES, I HAVE NO  
19 PROBLEM WHATSOEVER, UPON COMPLETION OF THAT WORK  
20 PRODUCT, A DOCUMENT THAT ARTICULATES THE EFFICIENCIES  
21 TO DATE, THINGS WE SHOULD BE CONSIDERING TO MAKE  
22 IMPROVEMENTS IN, AND THE THINGS THAT FALL OUTSIDE  
23 SCHEDULE AND BUDGET BUT ARE GOOD IDEAS, OF TURNING ALL  
24 THAT OVER TO THE DEPARTMENT OF GENERAL SERVICES AND  
25 LETTING THEM ADMINISTER THAT HOWEVER THEY SEE FIT.



1 I RECOGNIZE THAT WE AS THE INTEGRATED  
2 WASTE MANAGEMENT BOARD CANNOT DICTATE TO CAL-EPA, THE  
3 STATE OF CALIFORNIA THAT THESE THINGS MUST BE  
4 INCORPORATED INTO THIS BUILDING. IN FAIRNESS TO THE  
5 BUILDER, HE RESPONDED TO AN RFP THAT DID NOT HAVE  
6 ANY -- I WON'T SAY ANY, BUT DID NOT SPEAK SPECIFICALLY  
7 TO THESE GREEN ISSUE REQUIREMENTS. SO I THINK IT'S --  
8 BE CAREFUL THAT WE DON'T BEAT UP THE BUILDER HERE. HE  
9 JUST PUT A SPEC BUILDING OUT THAT RESPONDED TO THOSE  
10 REQUIREMENTS.  
11 BUT I WOULD LIKE TO SEE THIS EFFORT GO  
12 FORWARD SO THAT WE CAN SEE FROM STAFF THE KINDS OF  
13 OPPORTUNITIES THAT THE STATE OF CALIFORNIA SHOULD BE  
14 PURSUING AND AT THAT POINT LET GENERAL SERVICES  
15 ADMINISTER THE RESULTS OF THAT WORK HOWEVER THEY BEST  
16 SEE FIT WITH THE DESIGN TEAM, ADVISORY COMMITTEE, AND  
17 THEIR CLIENT, CAL-EPA.  
18 CHAIRMAN PENNINGTON: OKAY. HOW DOES THAT --  
19 HOW -- WE'LL NEED A MOTION TO MOVE THIS FORWARD.  
20 HOWEVER, IF WE MOVE THIS RESOLUTION AS IT IS TODAY, I  
21 THINK WE'RE IN TROUBLE WITH GSA.  
22 MR. CHANDLER: MAYBE THE QUESTION HAS TO BE  
23 ASKED. IF THE RESOLUTION AS IT WAS TYPED AND  
24 UNAMENDED, WOULD THAT RESULT IN DGS DISAPPROVING THE  
25 CONTRACT?



1 MR. SPINDLER: I'M SORRY. I MISSED THAT.

2 MR. CHANDLER: MY QUESTION IS IF THE  
3 RESOLUTION WAS ACTED UPON BY THE BOARD THIS AFTERNOON  
4 UNAMENDED BY YOUR LAST SENTENCE, WOULD IT RESULT IN THE  
5 DISAPPROVAL OF THE CONTRACT UPON YOUR AGENCY'S REVIEW?  
6 OBVIOUSLY IF THE BOARD MOVES ON THIS, WE'RE WASTING OUR  
7 TIME IF THAT'S THE OUTCOME. ON THE OTHER HAND, IS THIS  
8 SOMETHING THAT IS --

9 MR. SPINDLER: RATHER THAN POSE IT THAT WAY, I  
10 THINK YOU JUST REFERRED TO THE POINT THAT AS LONG AS  
11 YOU WERE COMFORTABLE WITH THE SCOPE AND IT INCORPORATED  
12 ALL THE THINGS IN THE CONTRACT THAT YOU WANTED TO SEE  
13 IN THERE, THEN YOU WOULD HAVE NO PROBLEM WITH TURNING  
14 THAT CONTRACT OVER TO THE DEPARTMENT OF GENERAL  
15 SERVICES FOR BASICALLY ITS ADMINISTRATION.

16 MR. CHANDLER: NO. WHAT I MEANT TO INFER, AND  
17 IF I WASN'T CLEAR, I APOLOGIZE, IS THAT I WOULD TURN  
18 OVER THE PRODUCTS THAT WOULD RESULT FROM THAT SCOPE  
19 OVER TO GENERAL SERVICES FOR INCORPORATION INTO THE  
20 ONGOING DESIGN OR ANY AMENDMENTS TO THE PROJECT. BUT I  
21 MEAN OUR EFFORTS OR OUR INTERESTS WERE TO GET THIS  
22 EFFORT UNDER WAY, ANALYZED, AND MADE AVAILABLE TO ALL  
23 INTERESTED PARTIES SO THAT IT COULD BE INCORPORATED.

24 MR. SPINDLER: THEN AS FAR AS WHETHER OR NOT  
25 THE DEPARTMENT OF GENERAL SERVICES WOULD OR WOULD NOT



1 APPROVE THE CONTRACT, YOU ARE LOOKING, AS I UNDERSTAND  
2 IT, WHEN CONTRACTS COME TO THE DEPARTMENT OF GENERAL  
3 SERVICES THAT ANOTHER AGENCY ENTERS INTO, THEY'RE  
4 REVIEWED FROM A LEGAL CONTEXT MORE OR LESS. I'M NOT  
5 SURE -- FROM THAT STANDPOINT, I'M NOT GOING TO SPEAK TO  
6 WHAT THE LEGAL DEPARTMENT'S REVIEW WOULD ENTAIL. THAT  
7 ALL DEPENDS ON HOW YOU CRAFTED THAT CONTRACT.  
8 ALL MY POINT BEING IS IN THE OVERALL  
9 IMPLEMENTATION OF THIS PROJECT AND DUTIES THAT WE HAVE  
10 BEEN ASKED TO TAKE ON ON BEHALF OF THE AGENCY, CAL-EPA,  
11 THERE ARE SIGNIFICANT PORTIONS THAT APPLY TO THIS THAT  
12 WOULD BE BETTER OFF THAT WE NOT FACILITATE. AND YOU  
13 MAY NEED TO CONSIDER A LOT OF OTHER ADMINISTRATIVE  
14 ISSUES THAT YOU'D WANT TO TAKE ON AT THE SAME TIME AS  
15 THIS ONE BESIDES.  
16 WHAT WE'RE TRYING TO DO IS PUT OURSELVES  
17 IN A POSITION WHERE WE CAN FACILITATE THE THINGS THAT  
18 WE'VE BEEN ASKED TO FACILITATE, AND WE'D LIKE THE BOARD  
19 JUST TO RECOGNIZE THAT. IT'S NOT LIKE WE'RE TRYING TO  
20 STEP IN AND CIRCUMVENT THINGS, SO TO SPEAK. WE DO WANT  
21 TO BE ABLE TO INCORPORATE ALL THE VIABLE AND THE BEST  
22 MEASURES THAT THE CONSULTANT CAN DEVELOP, BUT THERE ARE  
23 ADMINISTRATION AND COORDINATION EFFORTS HERE THAT, IN  
24 ORDER FOR US TO DO THE REST OF OUR JOB THAT WE'VE BEEN  
25 ASKED TO DO THAT ARE CONNECTED TO THIS ISSUE, THAT WE



1 NEED TO HAVE THAT VEHICLE HERE AS WELL, AND THAT'S  
2 REALLY WHAT WE'RE ASKING FOR RECOGNITION TO WORK WITH  
3 ON.

4 CHAIRMAN PENNINGTON: MR. FRAZEE.

5 BOARD MEMBER FRAZEE: LET ME TRY ANOTHER CUT  
6 OR ANOTHER APPROACH AT THIS. IN THE CONSTRUCTION OF A  
7 PUBLIC BUILDING, AND AS PART OF THE PUBLIC PROCESS,  
8 THERE IS ALWAYS ROOM FOR INPUT FROM THE PUBLIC, AND  
9 THAT'S WHAT I SEE OUR ROLE IS. SAY, FOR EXAMPLE,  
10 INSTEAD OF US BEING THESE ADVOCATES, THE SIERRA CLUB OR  
11 THE NATURAL RESOURCES DEFENSE COUNCIL, OR SOME OTHER  
12 ENVIRONMENTAL ORGANIZATION CAME ALONG AND SAID, "WE  
13 BELIEVE -- AND WE'VE CONDUCTED A STUDY ON THIS  
14 BUILDING, AND WE BELIEVE THAT YOU OUGHT TO INCORPORATE  
15 THIS AND THIS AND THIS IN THIS BUILDING," AND I THINK  
16 AS PART OF THE PUBLIC PROCESS AGAIN, I THINK THAT THE  
17 STATE AND THE CITY AND THE DEVELOPERS ARE BOUND TO TAKE  
18 THAT INTO CONSIDERATION. AND THAT'S ALL WE'RE  
19 ATTEMPTING TO BE IS THAT OUTSIDE INPUT IN LIEU OF SOME  
20 ENVIRONMENTAL ORGANIZATION COMING ALONG AND DOING IT.  
21 AND I THINK AS PART OF THE PROCESS, AGAIN, I DON'T SEE  
22 US INTRUDING ON GSA'S ADMINISTERING THE CONTRACT, BUT  
23 ONLY TRYING TO PROVIDE AN INDEPENDENT, OUTSIDE INPUT TO  
24 THIS JUST AS ANY MEMBER OF THE PUBLIC OR ANY OTHER  
25 PRIVATE AGENCY WOULD DO. AND THAT'S -- YOU KNOW,



1 THAT'S MY VIEW OF THE ROLE THAT WE PLAY IN THIS.  
2 AND, AGAIN, TIME IS OF THE ESSENCE. THIS  
3 BUILDING IS REALLY ABOUT AS FAR AS DOWN THE ROAD AS IT  
4 CAN GET TO HAVE ANY MEANINGFUL INPUT, AND I'M  
5 DISAPPOINTED THAT IT'S TAKEN US THIS MUCH TIME TO GET  
6 THERE, AND I'M DISAPPOINTED THAT WE HAVEN'T HAD THE  
7 ACTIVE PARTICIPATION OF THE ENERGY COMMISSION IN THIS.  
8 OF ALL PEOPLE, THE BIG SAVINGS IN THIS BUILDING ARE  
9 GOING TO BE IN THE WAY OF ENERGY.  
10 THE OTHER IRONIC PART OF THIS WHOLE  
11 THING, SITTING HERE THINKING ABOUT IT, I THINK I WAS  
12 THE AUTHOR OF THE LEGISLATION THAT ALLOWED GENERAL  
13 SERVICES TO ENTER INTO THESE KINDS OF ARRANGEMENTS AND  
14 TO BUILD PUBLIC BUILDINGS IN THE CITY OF SACRAMENTO.

15 CHAIRMAN PENNINGTON: WELL, WE FORGIVE YOU.

16 MR. CHANDLER: I THINK, MR. CHAIRMAN, THAT WE  
17 HAVE HAD A GOOD DISCUSSION AS FAR AS AT LEAST HAVING  
18 ALL PARTIES AIR THEIR VIEWPOINTS AND THEIR  
19 PERSPECTIVES. STAFF WOULD STAND BY ITS RECOMMENDATION  
20 THAT WE HAVE THE BOARD TAKE UP FOR CONSIDERATION THE  
21 RESOLUTION AS ORIGINALLY DRAFTED, AND I'LL CONCLUDE  
22 WITH THAT REMARK.

23 BOARD MEMBER GOTCH: MR. CHAIR, YOU READY FOR  
24 A MOTION?

25 CHAIRMAN PENNINGTON: SURE.



1 BOARD MEMBER GOTCH: I'LL MOVE RESOLUTION  
2 98-49 UNAMENDED.

3 BOARD MEMBER FRAZEE: SECOND.

4 CHAIRMAN PENNINGTON: IT'S BEEN MOVED AND  
5 SECONDED. ANY FURTHER DISCUSSION?

6 BOARD MEMBER JONES: JUST --

7 BOARD MEMBER FRAZEE: NO. I'D LIKE TO MAYBE  
8 FACETIOUSLY AMEND THAT, BUT MAYBE IN SOME SERIOUSNESS  
9 TOO, THAT IF THIS IS NOT ACCEPTABLE TO CAL-EPA AND TO  
10 GSA, THEN WE JUST SAY THANKS, BUT NO THANKS.

11 BOARD MEMBER JONES: THERE YOU GO. THAT  
12 WORKS.

13 CHAIRMAN PENNINGTON: YOU ARE ASKING TO AMEND  
14 THE MOTION?

15 BOARD MEMBER FRAZEE: NO, I'M NOT. JUST CLEAR  
16 UP THE MOTION.

17 BOARD MEMBER JONES: MR. CHAIRMAN, I DON'T  
18 KNOW THAT IT HAS TO BE IN THIS MOTION, BUT I WANTED  
19 TO -- I BROUGHT UP AN ISSUE THAT WASN'T IN THE DRAFT  
20 SCOPE OF WORK ABOUT THE COST ANALYSIS. DOES IT NEED TO  
21 BE INCLUDED IN THE RESOLUTION, THE COMMENTS THAT WE HAD  
22 ABOUT THE COST ANALYSIS OF SOME OF THESE THINGS?

23 MR. CHANDLER: I'VE MADE THE NOTE THAT WE'D  
24 LIKE THE WORK PRODUCT TO INCLUDE FINANCIAL ANALYSIS OF  
25 SHORT-TERM COST INCREASES VERSUS LONG-TERM OPERATING



1 COST SAVINGS.

2 BOARD MEMBER JONES: THAT'S COVERED.

3 MR. CHANDLER: THAT'S COVERED. AND YOUR POINT  
4 ABOUT THE ADVISORY COMMITTEE, I'LL WORK WITH CAL-EPA ON  
5 THE IMPORTANCE OF BRINGING A -- ASSURING THAT THERE'S A  
6 POLITICAL PERSPECTIVE TO THE TABLE ON WHAT IS GOING TO  
7 BE A POLITICALLY VISIBLE PROJECT.

8 BOARD MEMBER CHESBRO: MR. CHAIRMAN, AND ALSO  
9 CLARIFY THAT THE MOTION WOULD ADDRESS THAT, TO THE  
10 EXTENT IT DOESN'T DELAY OR JEOPARDIZE THE PROJECT OR  
11 THE CONTRACT, THAT WE SEEK THE ENERGY COMMISSION'S  
12 PARTNERSHIP, INCLUDING FINANCIAL PARTICIPATION.

13 CHAIRMAN PENNINGTON: OKAY. YOU WANT THAT AS  
14 PART OF THE MOTION?

15 BOARD MEMBER GOTCH: YES.

16 BOARD MEMBER FRAZEE: THAT'S ACCEPTABLE TO THE  
17 MAKER AND THE SECOND.

18 CHAIRMAN PENNINGTON: MRS. GOTCH.

19 BOARD MEMBER GOTCH: I WANTED TO ADD ALSO THAT  
20 WE MAKE SURE THAT WE INCLUDE THE LANDSCAPING AND/OR  
21 GRASSCYCLING IN OUR -- AND ALSO PROCUREMENT PRACTICES  
22 WITH THIS BUILDING.

23 CHAIRMAN PENNINGTON: OKAY. OKAY. WE HAVE A  
24 MOTION TO ACCEPT RESOLUTION 98-49 AND TO ASK THAT THE  
25 ENERGY COMMISSION BE INVITED TO PARTICIPATE IN THIS





1 PROJECT AS WELL. IF THERE'S NO FURTHER DISCUSSION,  
2 WILL THE SECRETARY CALL THE ROLL.

3 THE SECRETARY: BOARD MEMBER CHESBRO.

4 BOARD MEMBER CHESBRO: AYE.

5 THE SECRETARY: FRAZEE.

6 BOARD MEMBER FRAZEE: AYE.

7 THE SECRETARY: GOTCH.

8 BOARD MEMBER GOTCH: AYE.

9 THE SECRETARY: JONES.

10 BOARD MEMBER JONES: AYE.

11 THE SECRETARY: CHAIRMAN PENNINGTON.

12 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.

13 OKAY.

14 MS. TRGOVCICH: MR. CHAIRMAN, CAN I JUST ASK

15 FOR SOME CLARIFICATION ON ONE POINT? WE INDICATED THAT

16 A PORTION OF THE DOLLARS THAT ARE BEING MADE AVAILABLE

17 ARE COMING FROM YOUR PREVIOUSLY IDENTIFIED CONTRACT

18 CONCEPT FOR CONSTRUCTION AND DEMOLITION DEBRIS. WHAT

19 WOULD YOUR WISHES BE REGARDING FUTURE EFFORTS AS IT

20 WOULD HAVE PERTAINED TO THAT \$50,000 CONTRACT CONCEPT

21 APPROVAL? WOULD IT BE YOUR DESIRE TO SEE THAT COME

22 BACK IN SOME FORM?

23 BOARD MEMBER JONES: NEXT YEAR?

24 MS. TRGOVCICH: FOR FISCAL YEAR '98-'99 AS A

25 CONTRACT CONCEPT.



1                   BOARD MEMBER JONES: IT WOULD FOR ME. I DON'T  
2 KNOW HOW IT IS --

3                   CHAIRMAN PENNINGTON: OKAY. OKAY. WE'LL  
4 MOVE TO ITEM NO. 2, CONSIDERATION OF RECOMMENDATION FOR  
5 BOARD FUNDING OF SPONSORSHIP REQUESTS. MR. JOHN  
6 FRITH.

7                   MR. FRITH: AFTERNOON, MR. CHAIRMAN, MEMBERS  
8 OF THE BOARD. WE'RE HERE TO PRESENT THE ITEM  
9 CONSIDERATION OF RECOMMENDATION FOR BOARD FUNDING OF  
10 SPONSORSHIP REQUESTS. FOR MEMBERS OF THE AUDIENCE,  
11 THERE ARE COPIES OF YESTERDAY'S ADMINISTRATION  
12 COMMITTEE ITEM AND A NEW RESOLUTION THAT WAS DRAFTED IN  
13 LIGHT OF THE COMMITTEE'S ACTION ON THE BACK TABLE IN  
14 CASE ANYBODY WOULD LIKE TO TAKE A LOOK AT THAT.  
15 WE WILL DO A VERY BRIEF PRESENTATION  
16 TODAY GIVEN THE AMOUNT OF TIME SPENT AT THE  
17 ADMINISTRATION COMMITTEE MEETING YESTERDAY. OF COURSE,  
18 BE HAPPY TO ANSWER QUESTIONS, AND WE DO HAVE OTHER  
19 STAFF MEMBERS IN THE AUDIENCE WHO CAN ANSWER ANY OF THE  
20 BOARD MEMBERS' QUESTIONS ON THIS ITEM.  
21 AS YOU KNOW, THE BOARD ON JANUARY 28TH  
22 APPROVED CRITERIA FOR SPONSORING VARIOUS EVENTS AND  
23 ACTIVITIES. THERE IS \$30,000 STILL AVAILABLE IN  
24 SPONSORSHIP FUNDS. LAST WEEK A GROUP OF STAFF MEMBERS  
25 WHO HELPED DRAW UP THE CRITERIA GOT BACK TOGETHER TO



1 ANALYZE 16 REQUESTS TALLING APPROXIMATELY \$200,000.  
2 BECAUSE OF THE LARGE NUMBER OF REQUESTS, STAFF DECIDED  
3 TO NOT CONSIDER REQUESTS THAT CLEARLY DID NOT MEET THE  
4 CRITERIA.  
5 IN ADDITION, BECAUSE THE BOARD HAS  
6 INDICATED THAT IT WILL CONSIDER PROVIDING ADDITIONAL  
7 SPONSORSHIP FUNDS EARLY IN FISCAL YEAR '98-'99 AND  
8 BECAUSE SEVERAL OF THE EVENTS AND ACTIVITIES WILL BE  
9 TAKING PLACE DURING THE NEXT THREE OR FOUR MONTHS,  
10 STAFF ALSO DECIDED TO FOCUS ONLY ON THESE REQUESTS.  
11 BASED ON THE BOARD'S PREVIOUS DIRECTION, THE PUBLIC  
12 AFFAIRS OFFICE EXPECTS TO BE BRINGING BACK A  
13 RECOMMENDATION FOR SPONSORING THESE EVENTS AND  
14 ACTIVITIES DURING THE NEXT FEW MONTHS.  
15 IN ADDITION, AS I MENTIONED YESTERDAY AT  
16 THE COMMITTEE MEETING, TWO OTHER REQUESTS HAVE COME IN  
17 FOR FUNDING AFTER THE REVIEWS WERE MADE, CEED IN ARCATA  
18 AND LEIF CHRISTIANSON OF THE LOCAL GOVERNMENT COMMITTEE  
19 ON BEHALF OF SECOND CHANCE WEEK BOTH ASKED TO BE KEPT  
20 INFORMED ABOUT SPONSORSHIP OPPORTUNITIES.  
21 YESTERDAY THE ADMINISTRATION COMMITTEE  
22 REVIEWED THE STAFF RECOMMENDATION YOU HAVE BEFORE YOU  
23 AND VOTED TWO TO ZERO WITH ONE ABSTENTION TO RECOMMEND  
24 TO THE BOARD FUNDING AS FOLLOWS: \$10,000 TO KCBS RADIO  
25 TO SPONSOR THE "TRASH TALK" PROGRAM. DO YOU WANT ME TO



1 GO THROUGH WHAT SOME OF THESE THINGS ARE OR JUST GO  
2 THROUGH?

3 CHAIRMAN PENNINGTON: SURE.

4 MR. FRITH: ALL RIGHT. "TRASH TALK" IS A  
5 SEGMENT AIRED ON KCBS NEWS RADIO IN SAN FRANCISCO. IT  
6 IS THE ONLY MAJOR MARKET, AT LEAST STATION, THAT WE'RE  
7 AWARE OF THAT HAS SUCH A FEATURE. IT DEALS SOLELY WITH  
8 WASTE MANAGEMENT ISSUES, REDUCING, REUSING, RECYCLING,  
9 AND SO FORTH. WE HAVE PROVIDED A GREAT DEAL OF  
10 INFORMATION TO THE REPORTER, BETSY ROSENBERG. SHE HAS  
11 ASKED FOR FUNDING TO HELP SPONSOR THE SHOW. FOR THAT  
12 SPONSORSHIP, THE BOARD WOULD GET A FULL 60-SECOND AD,  
13 RADIO AD, THAT WE WOULD BE ABLE TO CRAFT OURSELVES  
14 AFTER EACH SEGMENT, AND WE WOULD NOT BE LIMITED TO ONE  
15 AD, OF COURSE. WE COULD CHOOSE TO HIGHLIGHT DIFFERENT  
16 MESSAGES THAT THE BOARD HAS.

17 \$5,000 TO POLLUTION PREVENTION WEEK.

18 HAVE TO FORGIVE ME HERE. I HAVE A LOT OF PAPER. THIS  
19 IS SUPPOSED TO BE A PAPERLESS SOCIETY, IS IT NOT? THE  
20 LOCAL GOVERNMENT COMMISSION IS ALSO SPONSORING  
21 POLLUTION PREVENTION WEEK. IT IS PART OF AN OVERALL  
22 EFFORT IN CALIFORNIA TO EDUCATE THE PUBLIC AND  
23 INFLUENCE BEHAVIOR ON WASTE PREVENTION AND WASTE  
24 REDUCTION. THE LOCAL GOVERNMENT COMMISSION HAS  
25 REQUESTED SPONSORSHIPS IN THE AMOUNT OF A THOUSAND



1 DOLLARS, \$2500, OR \$5,000.

2 THE THIRD RECOMMENDATION FROM THE

3 COMMITTEE WAS \$5,000 FOR INDUSTRIAL ECOLOGY III, WHICH

4 IS A ROUND TABLE CONFERENCE IN SAN FRANCISCO ON APRIL

5 24TH AND 26TH. THIS IS A ROUND TABLE OF THE FUTURE 500

6 THAT WILL EXPLORE HOW BUSINESSES ARE LEARNING TO

7 PROSPER LIKE NATURE, BY DESIGN NOT CONSUMPTION. A

8 NUMBER OF MAJOR CORPORATIONS, INCLUDING ACX

9 TECHNOLOGIES, WHICH, AS I UNDERSTAND IT, IS WHAT COORS

10 BEER IS NOW CALLING ITSELF; HALLMARK CARDS; THE HITACHI

11 FOUNDATION; MITSUBISHI MOTORS; MITSUBISHI ELECTRIC; THE

12 STANLEY ELECTRIC CORPORATION; RALEY'S; AND VARIOUS

13 OTHER CORPORATE MEMBERS. IT WOULD ALLOW US THE

14 OPPORTUNITY AT THE BOARD LEVEL TO DISCUSS THE

15 SUSTAINABILITY ITEMS THAT THE BOARD JUST CONSIDERED

16 WITH A NUMBER OF MAJOR CORPORATIONS AS WELL AS A NUMBER

17 OF OTHER BOARD PRIORITIES AND GOALS AND TO HOPEFULLY

18 CONVINCE BUSINESS THAT THESE ARE IDEAS THAT NOT ONLY

19 ARE GOOD FOR THE ENVIRONMENT, BUT GOOD FOR THE BOTTOM

20 LINE AS WELL.

21 NEXT IS \$5,000 FOR AMERICA RECYCLES DAY.

22 AMERICA RECYCLES DAY IS NOW IN ITS SECOND YEAR. LAST

23 YEAR WAS ITS FIRST. APPROXIMATELY 100 EVENTS WERE HELD

24 IN CALIFORNIA LAST YEAR PROMOTING RECYCLING. THE

25 NATIONWIDE EVENT WILL BE HELD AGAIN THIS YEAR WITH THE



1 THEME "KEEP RECYCLING WORKING -- BUY RECYCLED."  
2 ORGANIZERS HAD ASKED FOR \$30,000, AS WELL AS PROVIDING  
3 REPRESENTATION TO THE PUBLIC SECTOR ADVISORY  
4 COMMITTEE. LAST YEAR THE CITIES OF LONG BEACH AND SAN  
5 FRANCISCO MOUNTED THE MOST AMBITIOUS AMERICA RECYCLES  
6 DAY EVENTS AND DOCUMENTED INCREASES OF 12 PERCENT AND  
7 10 PERCENT RESPECTIVELY IN CURBSIDE DIVERSION RATES  
8 DURING THE MONTH OF DECEMBER. HOWEVER, SINCE STAFF DID  
9 NOT ANALYZE EVENTS THAT WERE HAPPENING LATER IN 1998,  
10 WE DID NOT -- WE DO NOT HAVE ANY FURTHER INFORMATION  
11 OTHER THAN THE LETTER THAT THE ORGANIZERS OF THIS EVENT  
12 DID SUBMIT TO US SEEKING FUNDING.  
13 NEXT IS \$3,000 FOR GREEN CLIPS. GREEN  
14 CLIPS IS AN INTERNET BASED LIST SERVER. IT PROVIDES  
15 SYNOPSES OF VARIOUS NEWS ARTICLES IN A WIDE VARIETY OF  
16 TRADE JOURNALS AND MASS MEDIA PUBLICATIONS, PRIMARILY  
17 IN THE MARKET OF CONSTRUCTION AND DEMOLITION. THE  
18 ORIGINAL STAFF RECOMMENDATION HAD BEEN TO FUND THIS ON  
19 A TRIAL BASIS TO ASSESS THE EFFECTIVENESS OF IT.  
20 AND THE LAST REQUEST THAT THE BOARD OR  
21 THE COMMITTEE, RATHER, APPROVED YESTERDAY WAS \$2,000  
22 FOR THE AMERICAN SOCIETY OF MECHANICAL ENGINEERS.  
23 ASME'S SOLID WASTE DIVISION IS HAVING A MAJOR  
24 CONFERENCE IN LOS ANGELES FOCUSING ON PACIFIC RIM  
25 COUNTRIES DEALING WITH AMERICAN STYLE WASTE MANAGEMENT



1 TECHNOLOGIES. THEY HAVE ASKED FOR THIS FUNDING FOR  
2 DEVELOPMENT OF A WEB SITE THAT WOULD HELP PROMOTE IT  
3 AND ADVERTISE IT INTERNATIONALLY, AS WELL AS  
4 NATIONALLY. AND, OF COURSE, THIS IS CONSISTENT WITH  
5 THE BOARD'S VISION OF BEING NATIONAL AND INTERNATIONAL  
6 EXPERTS IN SOLID WASTE MANAGEMENT.  
7 IN ADDITION, AT YESTERDAY'S MEETING,  
8 BOARD MEMBER GOTCH ASKED THAT AN ADDITIONAL \$25,000 BE  
9 MADE AVAILABLE FOR SPONSORSHIPS. THE COMMITTEE  
10 DIRECTED AN AGENDA ITEM COME BACK TO THE COMMITTEE AND  
11 BOARD IN MARCH TO DETERMINE WHETHER THESE FUNDS SHOULD  
12 BE USED FOR SPONSORSHIPS OR SOME OTHER PURPOSE. IF THE  
13 BOARD DETERMINES THAT THE MONEY SHOULD BE USED FOR  
14 SPONSORSHIPS, STAFF WOULD ANALYZE REQUESTS, BOTH ONES  
15 THAT WE HAD IN HAND AHEAD OF TIME AND ONES THAT MAY  
16 COME IN BETWEEN NOW AND WHATEVER CUT-OFF DATE IS  
17 ESTABLISHED, IN LIGHT OF THE BOARD'S CRITERIA AND BRING  
18 BACK RECOMMENDATIONS TO THE COMMITTEE AND THE BOARD IN  
19 APRIL.  
20 THAT DOES CONCLUDE THE STAFF'S RECOMMEN-  
21 DATION. WE'D BE HAPPY TO ANSWER ANY QUESTIONS YOU MAY  
22 HAVE.

23 CHAIRMAN PENNINGTON: OKAY. QUESTIONS OF  
24 STAFF? I DO HAVE TWO PEOPLE IN THE AUDIENCE WHO WISH  
25 TO ADDRESS THIS ISSUE. ALSO, I MIGHT REITERATE, IF



1 THERE'S ANYBODY ELSE THAT WANTS TO ADDRESS AN ISSUE,  
2 THERE'S SPEAKER SLIPS IN THE BACK OF THE ROOM. FILL  
3 THEM OUT AND GET THEM UP TO MS. KELLY. FIRST PERSON IS  
4 MARK WHITE, AMERICAN SOCIETY OF MECHANICAL ENGINEERS.  
5 MR. WHITE: THANK YOU, MR. CHAIRMAN. WANT TO  
6 THANK THE COMMITTEE AND THE REST OF THE BOARD MEMBERS  
7 FOR CONSIDERATION OF OUR REQUEST. THIS MONEY IS GOING  
8 TO PUT TO VERY GOOD USE. WE ANTICIPATE SPREADING THE  
9 BOARD'S NAME ACROSS THE WORLD THROUGH OUR WEB SITE WITH  
10 LINKS BACK TO YOURS, IF THAT WOULD BE ALLOWED. HAVING  
11 YOU FOLKS ON AS A COSPONSOR FOR OUR CONFERENCE THAT'S  
12 GOING TO BE INTERNATIONAL IN BREADTH FROM A GROUP LIKE  
13 OURS, THAT HAS DEALT WITH THE WESTERN UNITED STATES  
14 OVER THE LAST SEVERAL YEARS, IS GOING TO BE, I THINK,  
15 CRITICAL AS WELL.  
16 WE PLAN ON HIGHLIGHTING CALIFORNIA'S  
17 ADVANCED STATE OF WASTE MANAGEMENT, NOT ONLY IN  
18 TECHNOLOGIES TO DEAL WITH RECYCLING AND OTHER ISSUES,  
19 BUT ALSO IN PLANNING TECHNOLOGIES. HOW DO WE PUT A  
20 LANDFILL TOGETHER, FOR EXAMPLE? HOW DO YOU PUT A STATE  
21 PLAN TOGETHER? THERE ARE A LOT OF PEOPLE IN THE  
22 PACIFIC RIM FOR WHICH THE KINDS OF THINGS WE CONSIDER  
23 ARE DAY-TO-DAY EVENTS ARE PRETTY MAJOR THINGS. WE WANT  
24 TO BRING THEM OVER AND SHOW THEM THAT THERE ARE PEOPLE  
25 HERE TO HELP BOTH FROM AN EQUIPMENT PERSPECTIVE, ALSO





1 FROM ASSISTANCE JUST WITH HOW YOU DO THINGS.  
2 WE ALSO HAD ASKED IN OUR REQUEST THAT THE  
3 BOARD ACT AS A COSPONSOR WITH US, AND WE ANTICIPATE  
4 THAT THIS ITEM APPEARS TO GRANT THAT REQUEST AS WELL.  
5 WE THINK IT'S REAL IMPORTANT TO HIGHLIGHT THE BOARD ON  
6 THE FRONT OF ALL OF OUR DATA THAT WE'RE GOING TO HAND  
7 OUT ON THE POSITION THE BOARD HAS ALREADY WITHIN THE  
8 WORLD WASTE MANAGEMENT SITUATION. YOU WILL BE THERE  
9 WITH A NUMBER OF OTHER VERY WELL-KNOWN COSPONSORS, AND  
10 WE APPRECIATE YOUR SUPPORT.

11 CHAIRMAN PENNINGTON: THANK YOU? ANY  
12 QUESTIONS OF MR. WHITE?

13 BOARD MEMBER FRAZEE: I WAS JUST GOING TO ASK,  
14 THIS IS DIRECTED TOWARDS PACIFIC RIM, AND I WONDER IF  
15 WE'RE GOING TO TELL THE JAPANESE TO GET RID OF ALL  
16 THOSE WASTE-TO-ENERGY PLANTS AND GET REAL AND START  
17 BUILDING LANDFILLS?

18 MR. WHITE: I HAVE TO ADMIT THAT A LARGE  
19 NUMBER OF OUR MEMBERS ARE FROM THE EAST COAST, MANY  
20 INVOLVED IN INCINERATION. I DON'T TRY TO TELL ANYBODY  
21 WHAT TO DO. KOREA HAS A LOT TOO.

22 CHAIRMAN PENNINGTON: THANK YOU. NEXT IS  
23 CHUCK WHITE.

24 MR. WHITE: I DON'T THINK YOU HAVE TOO MANY  
25 CHUCKS, BUT MAYBE WE GOT TOO MANY WHITES IN THE ROOM.



1 CHUCK WHITE WITH WASTE MANAGEMENT. I'M JUST HERE TO  
2 OFFER BRIEF SUPPORT FOR AMERICA RECYCLES DAY. WE URGE  
3 THE BOARD TO FIND AS MANY -- AS MUCH SUPPORT AS YOU CAN  
4 TO MOVE THIS NOBLE EFFORT FORWARD.  
5 OUR EXPERIENCE HAS BEEN THAT THE AMERICA  
6 RECYCLES DAY IS ONE OF THE MOST COST-EFFECTIVE PROGRAMS  
7 THAT IS AVAILABLE TO RAISE PUBLIC AWARENESS AND  
8 PARTICIPATION IN RECYCLING. THERE'S BEEN TREMENDOUS  
9 INCREASES IN THE CITIES THAT WE SERVE IN THE RECYCLING  
10 RATES WHEN THEY DO HAVE AN ACTIVE PARTICIPATION IN  
11 AMERICA RECYCLES DAY, AND WE THINK THAT THE BOARD  
12 SHOULD HAVE A VERY CREDIBLE AND VISIBLE PARTICIPATION  
13 IN THIS PROCESS.

14 WE DO HOPE THE BOARD DOES FIND THE  
15 ADDITIONAL \$25,000, AND WE ENCOURAGE YOU TO IDENTIFY  
16 THAT AND ALLOCATE THAT AS SOON AS YOU POSSIBLY CAN TO  
17 CONTINUE A VERY CREDIBLE LEVEL OF SUPPORT. THANKS.

18 CHAIRMAN PENNINGTON: THANK YOU. ANY  
19 QUESTIONS OF STAFF? OKAY. I'LL ENTERTAIN A MOTION.

20 BOARD MEMBER JONES: MR. CHAIRMAN, I'LL MAKE A  
21 MOTION THAT WE ADOPT RESOLUTION 98-61.

22 BOARD MEMBER FRAZEE: SECOND.

23 CHAIRMAN PENNINGTON: IT'S BEEN MOVED AND  
24 SECONDED. ANY FURTHER DISCUSSION?

25 BOARD MEMBER CHESBRO: MR. CHAIRMAN, I



1 UNDERSTAND THAT WE HAVE, IN ADDITION TO OTHER FUNDS  
2 THAT HAVE BEEN UNEXPECTED THAT ARE UNDER DISCUSSION, WE  
3 HAVE FOUND SPECIFICALLY \$25,000 THAT COULD AUGMENT THIS  
4 SPENDING. AND GIVEN THE FACT THAT WE HAVE SO MANY  
5 REQUESTS HERE AND GIVEN THE FACT THAT I THINK DELAYING  
6 A DECISION ABOUT HOW TO ALLOCATE THAT 25,000 WOULD  
7 FRAGMENT THE DISCUSSION RATHER THAN ALLOWING US TO KIND  
8 OF LOOK AT THE GROUP AS A WHOLE, AND GIVEN THE FACT  
9 THAT AMERICA RECYCLES DAY CONTINUES TO RECEIVE BROAD  
10 SUPPORT FROM VIRTUALLY ALL ASPECTS OF THE WASTE ISSUE,  
11 FROM THE ENVIRONMENTAL GROUPS, FROM THE WASTE INDUSTRY,  
12 FROM LOCAL GOVERNMENTS, I WOULD MAKE AN AMENDMENT --  
13 MOVE AN AMENDMENT WHICH WOULD AUGMENT THE FUND BY  
14 \$25,000 AND INCREASE THE AMERICA RECYCLES DAY  
15 ALLOCATION BY \$25,000.

16 BOARD MEMBER GOTCH: I'LL SECOND THAT.

17 CHAIRMAN PENNINGTON: MR. FRAZEE.

18 BOARD MEMBER FRAZEE: I WAS UNDERSTANDING THAT  
19 IT'S NECESSARY TO TAKE SOME OTHER ACTION TO MOVE THAT  
20 25,000 OUT FROM WHERE IT'S CURRENTLY DESIGNATED PRIOR  
21 TO THE TIME WE'RE DOING THIS.

22 MR. CHANDLER: LET ME ASK KARIN FISH TO COME  
23 FORWARD AS ONE WHO ATTEMPTED TO TRY TO START TO SHED  
24 SOME LIGHT ON THIS YESTERDAY AT THE COMMITTEE MEETING,  
25 AND MAYBE WE CAN DO SO A LITTLE BIT MORE TODAY. KARIN,



1 AS I UNDERSTAND IT, WE HAVE IDENTIFIED SOME BUDGET  
2 AUTHORITY THAT HAD WITH IT ASSOCIATED DOLLARS THAT THE  
3 PROGRAM IN WHICH IT WAS ASSOCIATED WITH HAS SUNSET, AND  
4 THAT OUR FIRST PRIORITY WAS TO REDIRECT THOSE FUNDS TO  
5 OUR PRINTING AND PREMIUM BUDGET, WHICH YOU'VE DONE AT  
6 MY CONCURRENCE, AND THAT LEAVES 25,000 OF THIS  
7 UNEXPENDED BUDGET AUTHORITY IN CASH AVAILABLE.  
8 AND MR. FRAZEE'S QUESTION, I GUESS, IS DO  
9 WE HAVE TO TAKE SOME SPECIFIC ACTION TO MAKE IT  
10 AVAILABLE FOR THE SPONSORSHIP CATEGORY?

11 MS. FISH: NO. WHAT YOU HAVE PREVIOUSLY  
12 STATED IS CORRECT. AND THE MONEY IS AVAILABLE IN OUR  
13 OPERATING BUDGET AND COULD BE MADE AVAILABLE FOR THIS  
14 PURPOSE.

15 BOARD MEMBER FRAZEE: I DON'T KNOW IF THAT  
16 GETS TO THE HEART OF MY QUESTION. FROM A PROCEDURAL  
17 STANDPOINT, DO WE NEED TO RUN THAT THROUGH A COMMITTEE  
18 AND THROUGH THE BOARD TO ALLOCATE THAT?

19 MR. CHANDLER: WELL, IT WAS THE ADMINISTRA-  
20 TION'S REQUEST YESTERDAY THAT, I THINK, WE COME BACK  
21 WITH HOW THIS MONEY COULD BE --

22 BOARD MEMBER FRAZEE: THAT'S WHAT CONFUSES ME.

23 MR. CHANDLER: -- VIEWED. I GUESS WHAT OTHER  
24 WAYS IN WHICH THIS FUNDING COULD BE ALLOCATED, WHAT  
25 OTHER USES.



1 MS. FISH: I THINK THAT WAS MORE FROM A  
2 PRIORITY PERSPECTIVE, THAT IF WE HAD 25,000 AVAILABLE,  
3 ARE THERE OTHER PRIORITIES THAT YOU MIGHT WANT TO  
4 CONSIDER. AND THAT WAS THE REQUEST, THAT WE COME BACK  
5 AND GIVE YOU OTHER PRIORITIES IN OTHER AREAS OUTSIDE OF  
6 THE SPONSORSHIP LINE THAT YOU MIGHT WANT TO CONSIDER  
7 BEFORE YOU MADE THIS DECISION. AND THAT WAS, I  
8 BELIEVE, THE DIRECTION YESTERDAY. AND SO THIS WOULD  
9 NEGATE THAT DIRECTION BECAUSE THEN YOU WOULD HAVE  
10 ALREADY ALLOCATED THESE FUNDS.

11 CHAIRMAN PENNINGTON: I HAVE A LEGAL QUESTION  
12 THOUGH. SINCE THE ITEM SAID \$30,000, WE'RE NOW AT  
13 55,000, IS THAT -- ARE WE ALL RIGHT?

14 BOARD MEMBER JONES: WE'VE GOT 186,000 WORTH  
15 OF REQUESTS.

16 MR. FRITH: TWO HUNDRED, BUT WHO'S COUNTING?

17 MS. TOBIAS: I'M THINKING.

18 CHAIRMAN PENNINGTON: I MEAN BEFORE WE'VE BEEN  
19 STOPPED ON THE FACT THAT WE DIDN'T NOTICE THIS AMOUNT  
20 OF MONEY.

21 MS. TOBIAS: I'M JUST LOOKING IN THE ITEM TO  
22 SEE AND, JOHN, MAYBE YOU CAN DIRECT ME TO WHERE IT  
23 SPECIFICALLY SAYS THE 30. I'M NOT DOUBTING THAT IT  
24 DOES. I'M JUST ASKING TO LOOK AT IT. BUT I WILL SAY  
25 IF IT DOES SAY THAT THE ACTION IS TO DELIBERATE ABOUT



1 30,000, THAT THAT'S -- OR WHATEVER THE NUMBER WAS, THAT  
2 THAT'S --

3 BOARD MEMBER JONES: NO. CONSIDERATION OF  
4 RECOMMENDATIONS --

5 MR. FRITH: THIRD PARAGRAPH, FIRST PAGE. AT  
6 THE JULY 28TH MEETING, THE BOARD APPROVED SPONSORSHIP  
7 CRITERIA TO FACILITATE ALLOCATION OF THE REMAINING  
8 \$30,000 IN IWMA FUNDING.

9 MS. TOBIAS: I THINK THEN THAT YOU NEED TO  
10 STAY WITH THE \$30,000. LET ME JUST PUT THIS OUT, AND  
11 THEN IF YOU HAVE COMMENTS, I'M OPEN TO COMMENTS. BUT  
12 THE ARGUMENT WOULD BE THAT IF THERE WERE OTHER ENTITIES  
13 WHO WERE NOT RECOMMENDED TODAY FOR APPROVAL AND WOULD  
14 HAVE BEEN HERE HAD THEY KNOWN THAT THERE WAS ADDITIONAL  
15 MONEY, THEN THEY SHOULD HAVE BEEN AFFORDED THE  
16 OPPORTUNITY TO BE HERE AND ARGUE FOR IT.  
17 SO AGAIN, IF YOU GO BACK TO THE INTENT,  
18 WHICH IS TO MAKE SURE THAT THE PUBLIC HAS NOTICE OF THE  
19 ITEM THAT THE BOARD IS CONSIDERING AND THE OPPORTUNITY  
20 TO ATTEND THAT MEETING, THAT'S WHAT I'M BASING THAT  
21 ON.

22 BOARD MEMBER GOTCH: WHAT I WANTED TO ADD IS  
23 THAT THIS IS MERELY AUGMENTING WHAT WAS SUGGESTED BY  
24 TWO OF THE COMMITTEE MEMBERS YESTERDAY. AND I  
25 UNDERSTAND, IF WE CAN REMEMBER THAT LAST MONTH WE HAD A



1 TITLE THAT SAID ONE -- THAT HAD ONE TITLE AND THE  
2 RESOLUTION WHICH WAS ENTIRELY DIFFERENT AND IN NO WAY  
3 RELATED TO THE TITLE NOR THE AGENDA ITEM ITSELF. I SEE  
4 FIVE OF US ARE HERE. WE CAN VOTE ON AND MOVE ON THIS  
5 NOW, OR WE CAN PUT IT OFF FOR ANOTHER MONTH TO TWO  
6 MONTHS.

7 BOARD MEMBER JONES: IT'S NOT TWO MONTHS.  
8 IT'S GOING TO BE ONE MONTH.

9 BOARD MEMBER GOTCH: ONE MONTH STILL --

10 BOARD MEMBER CHESBRO: MR. CHAIRMAN, WELL, THE  
11 TITLE I READ THAT WENT OUT TO THE BOARD'S SUBSCRIBERS  
12 TO THE AGENDA SAYS, "CONSIDERATION OF RECOMMENDATIONS  
13 FOR BOARD FUNDING OF SPONSORSHIP REQUESTS," AND  
14 UNDERNEATH IT SAYS, "ITEM AVAILABLE CLOSER TO MEETING  
15 DATE." AND I DON'T KNOW IF WE'D HAVE THE SAME ARGUMENT  
16 MADE IF WE WERE ONLY GOING TO SPEND 25 INSTEAD OF 30,  
17 BUT TO ME THIS CLEARLY FALLS WITHIN THE GENERAL TITLE  
18 THAT THE PUBLIC WAS INFORMED OF.

19 CLEARLY, PEOPLE DIDN'T THINK THAT THEY  
20 HAD TO STOP APPLYING WHEN -- ORGANIZATIONS THOUGHT THEY  
21 HAD TO STOP APPLYING WHEN WE RECEIVED \$30,000 WORTH OF  
22 REQUESTS. WE HAVE MANY, MANY, MANY REQUESTS HERE, SO  
23 PEOPLE DIDN'T THINK THERE WAS ANY LIMIT ON THEIR  
24 ABILITY TO COME IN AND ASK US. SO I DON'T THINK THAT  
25 ANY ORGANIZATION OR MEMBER OF THE PUBLIC COULD CLAIM



1 THAT THEY SOMEHOW DID NOT HAVE FULL NOTICE OF WHAT WE  
2 HAD BEFORE US TODAY. AND SO THE AMENDMENT REMAINS --

3 CHAIRMAN PENNINGTON: EXCEPT THAT THEY DIDN'T  
4 HAVE THE OPPORTUNITY. IF THEY HAD KNOWN THAT THE ITEM  
5 WAS GOING TO BE \$55,000 INSTEAD OF 30,000 AND THAT  
6 THERE WOULD BE AN ADDITIONAL AWARD AT THIS BOARD  
7 MEETING, THEY MAY HAVE COME HERE TO ARGUE FOR THEIR 50  
8 CENTS OR THEIR 5,000 OR WHAT HAVE YOU. AND WE'RE NOT  
9 GIVING THEM AN OPPORTUNITY TO ARGUE FOR THEY BEING  
10 INCLUDED IN THIS ADDITIONAL 25,000.

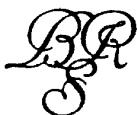
11 BOARD MEMBER CHESBRO: IF YOU FOLLOW THAT  
12 ARGUMENT, THEN WE SHOULD BE CONFINED IN OUR DECISION AT  
13 EVERY MEETING ONLY TO THE THINGS THAT STAFF HAS  
14 RECOMMENDED OR COMMITTEE HAS RECOMMENDED; THEREFORE,  
15 OTHERWISE, WE ARE NOT NOTIFYING THE PUBLIC THAT  
16 SOMETHING ELSE BESIDES WHAT THE COMMITTEE OR THE STAFF  
17 RECOMMENDED MIGHT TAKE PLACE. I DON'T BUY IT. I THINK  
18 THAT IF PEOPLE WANTED TO COME DOWN HERE AND ASK FOR  
19 SOMETHING, THEY CAN DO IT. IN FACT, CHUCK WHITE WAS  
20 HERE AND SAID WE WANT MORE MONEY FOR AMERICA RECYCLES  
21 DAY. AND SO I THINK EVERY OTHER ORGANIZATION IS  
22 EQUALLY AS CAPABLE OF COMING DOWN AND SAYING.

23 CHAIRMAN PENNINGTON: I THINK THEY'RE QUITE  
24 CAPABLE, BUT I DON'T THINK THEY KNEW THAT WE WERE GOING  
25 TO INCREASE THIS BY 25,000.





1                   BOARD MEMBER JONES: WE DIDN'T KNOW. WE AT  
2 THE BOARD DIDN'T EVEN KNOW THE MONEY WAS AVAILABLE  
3 UNTIL THE END OF THE ITEM. AND I HAVE A PROBLEM WITH  
4 SOMEBODY SAYING, "WE GOT AN EXTRA 25 GRAND. LET'S  
5 SPEND IT." I DON'T KNOW THAT WE HAVE 25.  
6 MY ITEM -- LOOK, I DON'T HAVE A PROBLEM  
7 WITH AMERICA RECYCLES. YOU WANT TO GIVE THEM 30 GRAND  
8 TODAY, I DON'T HAVE A PROBLEM WITH THAT. MY PROBLEM  
9 IS -- WHAT MY PROBLEM IS, WHEN I GET TOLD AT A  
10 COMMITTEE MEETING THAT THERE'S AVAILABLE MONEY AFTER A  
11 DISCUSSION, THEN I THINK WE HAVE A FIDUCIARY  
12 RESPONSIBILITY TO IDENTIFY THE MONEY, THE SPENDING  
13 AUTHORITY, AND WHERE THAT MONEY MIGHT GO.  
14 I DON'T HAVE A PROBLEM -- I SAID IT  
15 YESTERDAY -- I DON'T HAVE A PROBLEM WITH BRINGING THIS  
16 BACK NEXT MONTH, RUN THE ITEMS CONCURRENTLY. IF, IN  
17 FACT, THIS CAN GO TO SPONSORSHIP, I DON'T HAVE A  
18 PROBLEM WITH GIVING IT TO AMERICA RECYCLES, BUT I HAVE  
19 A HUGE PROBLEM PERSONALLY WITH SOMEBODY TELLING ME  
20 SOMETHING AT THE LAST MINUTE AND SAYING, "OH, OKAY.  
21 DIDN'T KNOW I HAD ALL THIS MONEY. LET'S SPEND IT."  
22 THAT DOES NOT MAKE SENSE TO ME PERSONALLY. I WANT TO  
23 KNOW WHAT OTHER ISSUES COULD GO BECAUSE I SURE AS HECK  
24 DON'T WANT TO HAVE STAFF COMING UP AND SAYING, "WE NEED  
25 TO AUGMENT OUR COMPUTER DEPARTMENT." OKAY. "DO WE



1 HAVE MONEY?" "NO. YOU GAVE IT AWAY TO SPONSORSHIP."

2 I DIDN'T EVEN KNOW I COULD SPEND IT THERE. I DON'T

3 KNOW THAT.

4 THAT'S WHY I HAD ASKED THE ITEM TO COME

5 BACK IN A MONTH BECAUSE I'M SAYING RIGHT NOW FOR THE

6 WORLD I DON'T HAVE A PROBLEM WITH GIVING 25 GRAND NEXT

7 MONTH TO AMERICA RECYCLES IF, IN FACT, THAT'S WHAT

8 WE'RE GOING TO DO IS TURN THE MONEY OVER TO SPONSOR-

9 SHIP.

10 BOARD MEMBER GOTCH: MR. CHAIR, IF I MAY, I'D

11 LIKE TO ASK -- I DON'T WANT TO PUT YOU ON THE SPOT, MS.

12 FISH, BUT IF YOU WOULDN'T MIND GIVING US AN IDEA OF

13 WHAT PARAMETERS -- WHAT YOU DID YESTERDAY, HOW THAT

14 MONEY CAN AND CANNOT BE SPENT, WHICH IS MORE OR LESS

15 THE DEFINITION THAT MR. JONES RECEIVED YESTERDAY.

16 MS. FISH: WELL, BASICALLY BECAUSE IT IS IN

17 OUR STATE OPERATIONS AND IN OUR OPERATING BUDGET, IT

18 COULD BE SPENT IN VARIOUS AREAS, INCLUDING GENERAL

19 EXPENSE, PRINTING, TRAVEL, COMMUNICATIONS. SO YOU DO

20 HAVE A WIDE MYRIAD OF THINGS THAT YOU COULD REDIRECT

21 THIS MONEY INTO, SO YOU DO HAVE SOME OPTIONS THERE.

22 CHAIRMAN PENNINGTON: WELL, GENERAL COUNSEL

23 HAS RULED THAT THIS IS OUT OF ORDER, AND I'M GOING TO

24 AGREE WITH HER. SO WE HAVE A MOTION ON THE FLOOR TO --

25 BOARD MEMBER CHESBRO: WELL, MR. CHAIRMAN, I'D



1 LIKE TO MAKE A SECOND AMENDMENT, WHICH WOULD -- IS MORE  
2 PAINFUL AND I WOULD PREFER IT NOT BE THE ALTERNATIVE  
3 THAT I PUT FORWARD, BUT I WOULD MOVE THAT WE AMEND THIS  
4 MOTION TO -- AND I'LL EXPLAIN WHY AFTER I MADE THE  
5 MOTION -- ELIMINATE THE TRASH TALK ITEM AND REALLOCATE  
6 THAT \$10,000 ADDITIONALLY TO AMERICA RECYCLES DAY.  
7 I THINK THAT THE KCBS SHOW IS A GREAT  
8 SHOW. I'VE LISTENED TO IT, BUT IT DOES -- IT IS  
9 CONCENTRATED PRIMARILY IN ONE GEOGRAPHIC REGION OF THE  
10 STATE WHERE WE RECENTLY FUNDED THE SMART SHOP CAMPAIGN.  
11 AND I DON'T THINK IT HAS THE BROAD APPLICABILITY THAT  
12 AMERICA RECYCLES DAY HAS TO THE WHOLE STATE, AND THAT'S  
13 THE BASIS FOR MY SUGGESTION, THAT WE REALLOCATE THAT  
14 MONEY TO AMERICA RECYCLES DAY.

15 CHAIRMAN PENNINGTON: OKAY.

16 BOARD MEMBER GOTCH: I'LL SECOND THAT. IT  
17 PAINS ME TO TAKE IT AWAY FROM "TRASH TALK" ALSO, BUT I  
18 WOULD LOOK AT THE STATEWIDE PROGRESS WE CAN MAKE.

19 CHAIRMAN PENNINGTON: MR. CHESBRO HAS MOVED A  
20 SUBSTITUTE MOTION TO ELIMINATE THE \$10,000 FROM TRASH  
21 TALK AND ADD IT TO AMERICA RECYCLES DAY; IS THAT  
22 CORRECT?

23 BOARD MEMBER CHESBRO: WELL, IT WAS INTENDED  
24 TO BE AN AMENDMENT TO HIS MOTION. I DIDN'T MOVE THE  
25 WHOLE ITEM; I JUST MOVED THAT AS MODIFICATION OF THE



1 MOTION THAT'S ON THE FLOOR. IT'S SIX OF ONE, HALF A  
2 DOZEN OF THE OTHER.

3 CHAIRMAN PENNINGTON: MOTION HAS BEEN STATED.  
4 ANY FURTHER DISCUSSION? IF NOT, WILL SECRETARY CALL  
5 THE ROLL.

6 THE SECRETARY: BOARD MEMBER CHESBRO.

7 BOARD MEMBER CHESBRO: AYE.

8 THE SECRETARY: FRAZEE.

9 BOARD MEMBER FRAZEE: NO.

10 THE SECRETARY: GOTCH.

11 BOARD MEMBER GOTCH: AYE.

12 THE SECRETARY: JONES.

13 BOARD MEMBER JONES: NO.

14 THE SECRETARY: CHAIRMAN PENNINGTON.

15 CHAIRMAN PENNINGTON: NO. MOTION FAILS.

16 NOW WE GO TO THE ORIGINAL MOTION, WHICH  
17 IS TO ADOPT THE STAFF RECOMMENDATION, RESOLUTION 98-61.

18 THE SECRETARY: BOARD MEMBER CHESBRO.

19 BOARD MEMBER CHESBRO: NO.

20 THE SECRETARY: FRAZEE.

21 BOARD MEMBER FRAZEE: AYE.

22 THE SECRETARY: GOTCH.

23 BOARD MEMBER GOTCH: NO.

24 THE SECRETARY: JONES.

25 BOARD MEMBER JONES: IT'S IMMATERIAL. IT'S



1 IMMATERIAL. IT'S OKAY. SO NOBODY GETS THE MONEY. I

2 DON'T HAVE A PROBLEM WITH THAT.

3 BOARD MEMBER GOTCH: WE DON'T HAVE TO CLOSE  
4 THE BOOK, AND WE DON'T HAVE TO GIVE UP.

5 CHAIRMAN PENNINGTON: FINISH THE ROLL CALL.  
6 EXCUSE ME. WOULD THE SECRETARY FINISH THE ROLL CALL,  
7 PLEASE.

8 THE SECRETARY: YOU'RE NOT GOING TO VOTE?

9 BOARD MEMBER JONES: NO, I'M NOT GOING TO  
10 VOTE.

11 THE SECRETARY: CHAIRMAN PENNINGTON.

12 CHAIRMAN PENNINGTON: YES. I VOTE YES. IT'S  
13 TWO TO TWO WITH ONE ABSTENTION. MOTION FAILS.

14 WE'LL MOVE TO ITEM NO. 3.

15 MR. FRITH: MAY I ASK FOR ONE CLARIFICATION?  
16 DO YOU STILL WANT US TO COME BACK AT SOME FUTURE TIME  
17 WITH SPONSORSHIP REQUESTS AND THE 25,000 NEXT MONTH AS  
18 FAR AS HOW TO SPEND THAT MONEY?

19 CHAIRMAN PENNINGTON: WELL, YOU CAN COME BACK  
20 WITH THE 25.

21 BOARD MEMBER GOTCH: MR. CHAIR.

22 CHAIRMAN PENNINGTON: THERE'S NO INSTRUCTIONS  
23 FROM THE COMMITTEE ON THE 30. WE CAN BRING THE 30 BACK  
24 TO THE COMMITTEE.

25 MR. FRITH: NO. I'M SAYING THE ADDITIONAL



1 25,000 THAT THE COMMITTEE YESTERDAY RECOMMENDED.

2 CHAIRMAN PENNINGTON: SURE.

3 MR. FRITH: STAFF BRING BACK AS TO HOW TO  
4 SPEND THAT MONEY.

5 CHAIRMAN PENNINGTON: YEAH, SURE. I MEAN THE  
6 COMMITTEE RECOMMENDED THAT.

7 BOARD MEMBER JONES: MR. CHAIRMAN.

8 CHAIRMAN PENNINGTON: YES. WAIT A MINUTE.  
9 MRS. GOTCH WANTED TO SAY SOMETHING.

10 BOARD MEMBER GOTCH: I WOULD WANT IT ALL  
11 BROUGHT BACK NEXT MONTH IF THAT'S THE CHOICE OF  
12 EVERYONE, BUT I'M NOT READY TO THROW IN THE TOWEL. I  
13 THINK WE SHOULD TRY TO WORK THIS OUT. BECAUSE THOSE  
14 TWO MOTIONS DIDN'T PASS I DON'T THINK WE SHOULD THROW  
15 IN THE TOWEL. THERE ARE A LOT OF PEOPLE THAT ARE  
16 LOOKING TOWARDS THIS MONEY, AND I DON'T THINK WE SHOULD  
17 DELAY.

18 BOARD MEMBER JONES: I AGREE.

19 CHAIRMAN PENNINGTON: I AGREE.

20 BOARD MEMBER JONES: I DON'T HAVE A PROBLEM  
21 WITH THAT.

22 BOARD MEMBER GOTCH: OKAY. LET'S MOVE FORWARD  
23 THEN.

24 BOARD MEMBER JONES: BUT IT TAKES FOUR VOTES.

25 BOARD MEMBER GOTCH: RIGHT. WELL, LET'S WORK



1 ON IT. WE NEED TO GIVE A LITTLE, AND THAT'S WHAT WE'RE  
2 ASKING FOR.

3 CHAIRMAN PENNINGTON: THANK YOU. CONSIDERA-  
4 TION OF THE ISSUANCE OF A NEW MAJOR WASTE TIRE FACILITY  
5 PERMIT FOR BAS RECYCLING, INC.

6 BOARD MEMBER GOTCH: MR. CHAIRMAN.

7 BOARD MEMBER JONES: WE'RE NOT GOING TO DO  
8 THIS? WE'RE NOT GOING TO KEEP TRYING TO WORK ON THIS?  
9 WE DON'T HAVE -- IT HASN'T BEEN DEFEATED. IT HASN'T  
10 BEEN ACCEPTED, RIGHT?

11 CHAIRMAN PENNINGTON: THE MOTION DIED.

12 BOARD MEMBER JONES: WELL, NO --

13 MS. TOBIAS: WELL, YOU WOULD HAVE TO PUT  
14 ANOTHER MOTION ON THE FLOOR IF YOU WISH TO KEEP THAT  
15 OPEN.

16 CHAIRMAN PENNINGTON: I THINK WE HAVE TO COME  
17 BACK NEXT MONTH.

18 BOARD MEMBER JONES: WELL, YOU KNOW, I'D LIKE  
19 TO OFFER A SUBSTITUTE MOTION.

20 CHAIRMAN PENNINGTON: A MOTION.

21 BOARD MEMBER JONES: OR A MOTION.

22 CHAIRMAN PENNINGTON: OKAY.

23 BOARD MEMBER JONES: AND -- BECAUSE I THINK  
24 THERE WILL BE AN ITEM THAT COMES FORWARD NEXT MONTH  
25 WITH ANOTHER 25 GRAND, BUT I DON'T WANT TO PLAY THIS



1 GAME MORE THAN I HAVE TO.  
2 HOW ABOUT IF WE DO THIS? HOW ABOUT IF WE  
3 SAY 5,000 FOR KCBS, 10,000 FOR AMERICA RECYCLES, 5,000  
4 FOR INDUSTRIAL ECOLOGY 3, 5,000 FOR POLLUTION  
5 PREVENTION, 3,000 FOR GREEN CLIPS, AND 2,000 FOR ASME?  
6 BOARD MEMBER CHESBRO: I'LL SECOND.  
7 CHAIRMAN PENNINGTON: IT'S BEEN MOVED AND  
8 SECONDED. ANY FURTHER DISCUSSION? IF NOT, WILL THE  
9 SECRETARY CALL THE ROLL.  
10 THE SECRETARY: BOARD MEMBER CHESBRO.  
11 BOARD MEMBER CHESBRO: AYE.  
12 THE SECRETARY: FRAZEE.  
13 BOARD MEMBER FRAZEE: NO.  
14 THE SECRETARY: GOTCH.  
15 BOARD MEMBER GOTCH: AYE.  
16 THE SECRETARY: JONES.  
17 BOARD MEMBER JONES: AYE.  
18 THE SECRETARY: CHAIRMAN PENNINGTON.  
19 CHAIRMAN PENNINGTON: AYE. MOTION CARRIES.  
20 OKAY. MOVING TO ITEM NO. 3,  
21 CONSIDERATION OF ISSUANCE OF A NEW MAJOR WASTE TIRE  
22 FACILITY PERMIT FOR BAS RECYCLING, INC. IN SAN  
23 BERNARDINO COUNTY.  
24 MS. RICE: THANK YOU, MR. CHAIRMAN AND  
25 MEMBERS. TOM MICKA WILL HAVE A VERY BRIEF STAFF





1 PRESENTATION.

2 MR. MICKA: GOOD AFTERNOON, MR. CHAIRMAN AND  
3 MEMBERS OF THE BOARD. BAS RECYCLING, INC. SEEKS A  
4 MAJOR WASTE TIRE FACILITY PERMIT FOR THE STORAGE OF UP  
5 TO 800 TONS OF WHOLE WASTE TIRES. THE 800 TONS  
6 REPRESENTS APPROXIMATELY 15,000 TRUCK TIRES AND 5,000  
7 PASSENGER TIRES IN THE STORAGE AREA OF APPROXIMATELY  
8 4.3 ACRES.

9 BAS, LOCATED IN THE CITY OF SAN  
10 BERNARDINO, RECEIVES AND STORES WASTE TIRES OUTDOORS AT  
11 ITS CRUMB RUBBER PROCESSING FACILITY. A SMALL  
12 PERCENTAGE OF THE WASTE TIRES RECEIVED ARE SOLD TO USED  
13 TIRE DEALERS WITH THE MAJORITY OF THE WASTE TIRES BEING  
14 PROCESSED INTO CRUMB RUBBER USING CRYOGENIC TECHNOLOGY  
15 IN BAS' 80,000 SQUARE FOOT WAREHOUSE.  
16 A PORTION OF THE CRUMB RUBBER IS FEED-  
17 STOCK FOR A MOLDING OPERATION FOR THE MANUFACTURING OF  
18 PLAYGROUND MATS. WASTE TIRES ARE DELIVERED TO THE SITE  
19 BY REGISTERED WASTE TIRE HAULERS REPRESENTING TIRE  
20 BUSINESSES AND PRIVATE TRUCKING COMPANIES.

21 ON DECEMBER 30, 1997, BAS SUBMITTED A  
22 MAJOR WASTE TIRE FACILITY APPLICATION, WHICH WAS DEEMED  
23 COMPLETE BY STAFF ON JANUARY 29, 1998. THE BOARD HAS  
24 180 CALENDAR DAYS FROM THE DATE THE APPLICATION IS  
25 DEEMED COMPLETE TO ACT ON A PERMIT.



1 BOARD STAFF PREVIOUSLY CONDUCTED A  
2 PREPERMIT INSPECTION OF THE SITE. BOARD PERMITTING  
3 STAFF HAVE REVIEWED THE APPLICATION AND SUPPORTING  
4 DOCUMENTATION AND HAVE MADE THE FOLLOWING FINDINGS:  
5 IN 1991 THE CITY OF SAN BERNARDINO  
6 PREPARED AN ENVIRONMENTAL IMPACT REPORT FOR THE CITY'S  
7 GENERAL PLAN, BAS' FACILITY IS LOCATED IN A ZONE  
8 DESIGNATED LIGHT INDUSTRIAL AND IS CONSISTENT WITH THE  
9 CITY'S GENERAL PLAN, THE CITY'S ENVIRONMENTAL DOCUMENT,  
10 ANALYZED FOR IMPACTS ASSOCIATED WITH INDUSTRIAL USES.  
11 THE LOCAL APPROVALS ARE CONSISTENT WITH THE PROPOSED  
12 PERMIT. THE FACILITY'S DESIGN AND OPERATION IS IN  
13 COMPLIANCE WITH THE WASTE TIRE STORAGE AND DISPOSAL  
14 STANDARDS. ENVIRONMENTAL HEALTH SERVICES OF THE COUNTY  
15 OF SAN BERNARDINO FOUND NO VECTOR ACTIVITY DURING A  
16 RECENT INSPECTION OF THE FACILITY; HOWEVER, AS A  
17 REQUIREMENT OF COMPLIANCE, INSPECTIONS AND, IF  
18 REQUIRED, VECTOR CONTROL MEASURES WILL BE PROVIDED BY  
19 THE SAN BERNARDINO COUNTY VECTOR CONTROL PROGRAM IN  
20 ACCORDANCE WITH APPROVED FEES.  
21 BAS HAS PERIMETER FENCING AND LOCKED  
22 GATES, AND AN ATTENDANT IS ON DUTY 24 HOURS A DAY,  
23 SEVEN DAYS A WEEK. THE FACILITY IS NOT OPEN TO THE  
24 PUBLIC. ACCESS ROADS WILL ACCOMMODATE EMERGENCY  
25 VEHICLES. THE OPERATION PLAN, THE EMERGENCY RESPONSE



1 PLAN, THE REDUCTION ELIMINATION PLAN, AND THE CLOSURE  
2 PLAN, INCLUDING THE CLOSURE COST ESTIMATE SUBMITTED BY  
3 THE OPERATOR, HAVE BEEN REVIEWED BY STAFF AND HAVE BEEN  
4 DETERMINED TO MEET THE MAJOR WASTE TIRE FACILITY  
5 PERMITTING REQUIREMENTS. BAS HAS MET THE REQUIREMENTS  
6 FOR OPERATING LIABILITY AND FINANCIAL ASSURANCE FOR  
7 CLOSURE.  
8 BASED ON THESE FINDINGS AND THE FACTS  
9 PRESENTED IN THE AGENDA ITEM, STAFF FINDS THAT THE  
10 APPLICATION IS IN COMPLIANCE WITH PRC SECTION 42800 ET  
11 SEQ. AND THE WASTE TIRE FACILITY PERMITTING REGULA-  
12 TIONS. THEREFORE, STAFF RECOMMENDS THAT THE BOARD  
13 ADOPT PERMIT DECISION NO. 98-57, APPROVING THE ISSUANCE  
14 OF A MAJOR WASTE TIRE PERMIT NO. 36-TI-0020.  
15 A REPRESENTATIVE OF THE OPERATOR IS  
16 PRESENT TODAY TO ANSWER ANY QUESTIONS, AND THIS  
17 CONCLUDES STAFF'S PRESENTATION.  
18 CHAIRMAN PENNINGTON: QUESTIONS OF STAFF?  
19 BOARD MEMBER GOTCH: TOM, THE DRAWING OF  
20 THE -- THAT THE FIRE DEPARTMENT HAD TO SIGN OFF ON, DO  
21 WE KNOW IF THEY WERE ABLE TO ACTUALLY VISIT THE  
22 FACILITY TO CHECK OFF -- THE FIRE DEPARTMENT IS WHAT  
23 I'M TALKING ABOUT, FIRE OFFICIALS.  
24 MR. MICKA: MR. HARRINGTON IS HERE. IT'S MY  
25 UNDERSTANDING THAT THE FIRE DEPARTMENT HAS BEEN OUT TO



1 THE FACILITY ON OTHER OCCASIONS.

2 BOARD MEMBER GOTCH: WHEN MR. HARRINGTON

3 SPEAKS, I CAN ASK HIM THAT QUESTION THEN. THANKS.

4 LET ME ASK YOU ONE MORE IF I MAY. DO WE

5 KNOW HOW MANY OUT-OF-STATE TIRES, AND THIS MIGHT BE

6 ANOTHER QUESTION FOR MR. HARRINGTON, THAT THE FACILITY

7 RECEIVES?

8 MR. MICKA: NO, WE DON'T KNOW THE PERCENTAGE.

9 BOARD MEMBER GOTCH: THANK YOU.

10 CHAIRMAN PENNINGTON: ANY OTHER QUESTIONS OF

11 STAFF? MR. HARRINGTON, DO YOU WANT TO RESPOND THOSE

12 QUESTIONS?

13 MR. HARRINGTON: GOOD AFTERNOON, BOARD

14 MEMBERS. MS. GOTCH, YOUR QUESTIONS WERE THE FIRE

15 DEPARTMENT. THE FIRE DEPARTMENT IS A CONSTANT

16 COMPANION OF BAS. THEY'RE THERE ON A ROUTINE AND

17 REGULAR BASIS AND ARE VERY FAMILIAR WITH OUR OPERATION

18 AND OUR STORAGE OF WASTE TIRES, THE PROCEDURES WE GO

19 TO, AND WE ARE IN FULL COMPLIANCE WITH THEIR

20 RECOMMENDATIONS AND WITH THE LOCAL REGULATIONS.

21 BOARD MEMBER GOTCH: THE REASON I ASKED THE

22 QUESTION IS BECAUSE I KNOW THAT THEY HAD SIGNED OFF ON

23 THE DRAWING, SO I WAS WONDERING IF THEY HAD BEEN THERE

24 DURING THE SAME PERIOD OF TIME TO BE ABLE TO SIGN OFF

25 ON ACTUALLY SEEING THE SITE.



1 MR. HARRINGTON: YES. THEY WERE THERE WITHIN  
2 DAYS OF ACTUALLY THE DRAWING BEING STAMPED AND BEING  
3 SUBMITTED TO STAFF.

4 BOARD MEMBER GOTCH: THANK YOU. THE OTHER  
5 QUESTION THAT I HAD ASKED WAS REGARDING OUT-OF-STATE  
6 TIRES. APPROXIMATELY HOW MANY OUT-OF-STATE TIRES, IF  
7 ANY?

8 MR. HARRINGTON: IT'D BE STRICTLY A GUESS ON  
9 MY PART, BUT WE DO GET TIRES FROM OUT OF STATE, 10 TO  
10 15, MAYBE 20 PERCENT.

11 BOARD MEMBER GOTCH: THANK YOU.

12 CHAIRMAN PENNINGTON: ANY OTHER QUESTIONS OF  
13 MR. HARRINGTON?

14 BOARD MEMBER JONES: MR. CHAIRMAN, I'LL MAKE A  
15 MOTION THAT WE ADOPT RESOLUTION NO. 98-57, CONSIDERA-  
16 TION OF THE ISSUANCE OF A NEW MAJOR WASTE TIRE FACILITY  
17 PERMIT TO THE BAS RECYCLING, INC., SAN BERNARDINO  
18 COUNTY.

19 BOARD MEMBER FRAZEE: SECOND.  
20 CHAIRMAN PENNINGTON OKAY. IT'S BEEN MOVED AND  
21 SECONDED. ANY FURTHER DISCUSSION? IF NOT, WILL THE  
22 SECRETARY CALL THE ROLL.

23 THE SECRETARY: BOARD MEMBER CHESBRO.

24 BOARD MEMBER CHESBRO: AYE.

25 THE SECRETARY: FRAZEE.



1 BOARD MEMBER FRAZEE: AYE.  
2 THE SECRETARY: GOTCH.  
3 BOARD MEMBER GOTCH: AYE.  
4 THE SECRETARY: JONES.  
5 BOARD MEMBER JONES: AYE.  
6 THE SECRETARY: CHAIRMAN PENNINGTON.  
7 CHAIRMAN PENNINGTON: AYE.  
8 BOARD MEMBER CHESBRO: SUCH AN AGREEABLE  
9 BUNCH.  
10 BOARD MEMBER GOTCH: MR. CHAIRMAN, ASK A  
11 QUESTION OF DOROTHY. THIS ISN'T RELATED TO THIS. AND  
12 THAT'S THAT STORAGE FACILITIES, TIRE STORAGE  
13 FACILITIES, ARE REQUIRED TO REPORT NONREGISTERED OR  
14 ILLEGAL TIRE HAULERS TO THE BOARD. WHAT TYPE OF  
15 ENFORCEMENT DOES THE BOARD HAVE AS FAR AS WHAT CAN WE  
16 DO TO PURSUE?  
17 MS. RICE: TO BE HONEST, AT THIS POINT WE HAVE  
18 A VERY MINIMAL AND PROBABLY INEFFECTIVE EFFORT. THUS  
19 FAR WE'VE HAD ABOUT ONE STAFF PERSON TOTAL FOR THE  
20 HAULER PROGRAM STATEWIDE; SO AS YOU CAN IMAGINE, THAT  
21 PERSON PRIMARILY ISSUES HAULER REGISTRATIONS AND KEEPS  
22 THEM UP TO DATE AND MEETS THE NEEDS OF THE HAULERS IN  
23 GETTING THEIR STICKERS AND THEIR FORMS.  
24 ON THE ON-DECK CIRCLE, AS KEITH WOULD SAY  
25 FOR US, ONE OF OUR ISSUES IS ENFORCEMENT OF THE HAULER



1 REGULATIONS. WE HAVE BEEN WORKING WITH DMV AND OTHER  
2 AVENUES, CHP, ETC., TO TRY TO LOOK AT WAYS TO GET AT  
3 ENFORCEMENT OF THE REGULATIONS BECAUSE WE LACK THE  
4 PERSONNEL AND THE CAPABILITY. SO IT'S A QUESTION OF  
5 COST REALLY.

6 BOARD MEMBER GOTCH: THANK YOU.

7 CHAIRMAN PENNINGTON: WE WILL NOW RECESS TO A  
8 CLOSED SESSION TO DISCUSS LITIGATION AND PERSONNEL  
9 MATTERS, AND WE WILL ADJOURN AT THE END OF THAT  
10 MEETING.

11

12 (END OF PROCEEDINGS AT 3:15 P.M.)

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## *Reporter's Certificate*

\* \* \* \* \*

I, Beth C. Drain hereby certify:

that on the 11th day of  
February, 1998, I did report in  
shorthand the testimony of the foregoing  
proceedings;

that on the conclusion of the above entitled  
matter, I did transcribe my shorthand notes into  
typewriting;

that the foregoing transcript is a true and correct  
record of my shorthand notes thereof.

Beth C. Drain

Certified Shorthand Reporter  
Certificate No. 7152

